Daily Report

Latin America

FBIS-LAT-88-039
Monday
29 February 1988

Daily Report
Latin America

FBIS-LAT-88-039 *29 February 1988*

CONTENTS

CARIBBEAN

Cuba

Comment, Reportage on Situation in Panama 1
Foreign Ministry Statement 1
Panamanian Deputy's Remarks 1
U.S. Troops 'on Alert' 1
ANPP President Flavio Bravo Pardo Dies 2

Dominican Republic

Balaguer Reshuffles Cabinet, Other Posts *[EFE]* 2
Foreign Minister on Panama Situation *[EFE]* 2

Haiti

Communique Issued on First Cabinet Meeting 3

CENTRAL AMERICA

Costa Rica

Foreign Ministry Communique on Panama Situation *[DPA]* 5
Arias Comments 5

El Salvador

Government Condemns 'Arrogant' Acts in Panama *[DIARIO LATINO 27 Feb]* 5
Duarte Supports Delvalle *[ACAN]* 6

Nicaragua

President Ortega Addresses Rally in Monimbo 6
Ortega Agrees to Talks in Letter to Obando 11
Ortega Expresses Solidarity With Gen Noriega 12

Panama

Delvalle Reportedly Under House Arrest 12
FDP Official Confirms Arrest *[AFP]* 12
Delvalle House Surrounded *[San Jose]* 12
Troops Withdrawn *[AFP]* 13
Delvalle Requests 'Asylum' *[DPA]* 13
Relatives Ensure Delvalle Safe 13
Delvalle's Wife Urges Support *[Buenos Aires REUTER]* 13
TV Reports Delvalle 'Kidnapped' 14
Arias Calderon on Situation 14
Noriega Addresses Rally at FDP Headquarters 15
Interviewed on U.S. Policy *[Mexico City]* 15
Discusses 'CIA Plan' *[EFE]* 17
Delvalle on Reasons for Dismissing Noriega *[Bogota]* 18
People's Party Condemns Actions *[CRITICA 26 Feb]* 21
CONATO Rejects Decision *[CRITICA 26 Feb]* 21

Businessmen Call for General Strike 29 Feb 22
Chamber of Commerce Urges Strike 22
Industrialists Support Decision *[San Jose]* 22
SIP Expresses Support *[LA ESTRELLA DE PANAMA 27 Feb]* 22
Mayin Correa Urges Cooperation *[San Jose]* 23
Opposition Says Strike Positive 23
Arias Supports Strike *[San Jose]* 24
Labor Unions Oppose Strike 24
Strike Condemned 24
Businesses Threatened *[CRITICA 27 Feb]* 25
Daily Publishes 'Warning' to Ambassador Davis *[CRITICA 27 Feb]* 25
Solis Palma on Current Political Situation 25
Gives Interview on Transition *[Madrid]* 26
Accuses U.S. of Meddling *[AFP]* 27
Hails Noriega's Support 28
Republican Party Supports General Noriega 28
People Express Support 28
Editorial on Peoples' Support 28
Labor Minister Jorge Federico Lee Resigns Post 29
Papers Report Dismissal of Delvalle Appointees 29
International Reaction to Current Situation 29
Cuban Foreign Ministry Statement 29
Lima Embassy on U.S. 'Campaign' 30
Libya Cites U.S. 'Intervention' 30
FDP Program Says U.S. Underestimated People 30
Commentator Analyzes U.S. Role 31
Abadia Briefs Diplomats on Political Situation 31
Nation 'Separated' From Group of Eight *[AFP]* 32
Arias Calderon Calls for Regional Solidarity *[San Jose]* 32
Bishops Urge 'Respect' for Constitution *[LA ESTRELLA DE PANAMA 27 Feb]* 32
CONATO Issues Communique Supporting Government *[LA ESTRELLA DE PANAMA 27 Feb]* ... 33
Opposition Legislator Reports 'Intimidation' *[LA PRENSA 25 Feb]* 33
Communist Leader Changmarin Predicts Violence *[EFE]* 34

SOUTH AMERICA

Argentina

Government Expresses Solidarity With Delvalle 35
Agreement Reached With Private Creditors 35
Government Summons NATO Envoys on Falklands 35
Espionage Charged; Chilean Statements Denied *[BUENOS AIRES HERALD 27 Feb]* 35
Supreme Court Confirms Astiz Acquittal *[BUENOS AIRES HERALD 26 Feb]* 36

Brazil

Brasilia Reaches Agreement With Private Banks *[EFE]* 36
Government Announces Measures To Cut Deficit 37
Sarney Raps Destabilization Group in Congress 37
Minister Criticizes Group 38
Guimaraes on Constituent Assembly Sovereignty 38
Sarney Meets With Iranian Deputy Minister *[Tehran IRNA]* 38
Sodre Says UK Maneuvers Violate UN Agreement *[O ESTADO DE SAO PAULO 26 Feb]* 39
UK Embassy on Repercussions of Canceled Visit *[O GLOBO 26 Feb]* 39

Peru

Garcia Criticizes Panama, Recalls Envoy *[EFE]* 39
Foreign Ministry Communique *[EFE]* 40
Wagner Rejects Panama Group of 8 Participation *[AFP]* 40
MRTA Rebels Blow Up Hydroelectric Plants *[Buenos Aires REUTER]* 40

Uruguay

Government Recalls Ambassador to Panama *[EFE]* 40
Fishing 'Main Obstacle' in Talks With Soviets 41
"No Concrete Results' *[EFE]* 41

Venezuela

Government Supports Civilian Power in Panama 41

Cuba

Comment, Reportage on Situation in Panama

Foreign Ministry Statement

PA271833 Havana International Service in Spanish 1600 GMT 27 Feb 88

[Text] The Cuban Foreign Ministry has criticized the policy of pressures and threats of all kinds the United States has unleashed against Panama in the past few months to destabilize that isthmian country. The Foreign Ministry issued a statement in Havana reiterating the solidarity of the Cuban people and government with the Panamanian people and government in view of the government crisis provoked by Washington's campaign to oust Manuel Antonio Noriega, chief of the Panama Defense Forces.

The document stressed that it is no secret that the U.S. maneuvers are part of its plans to prolong its military presence in the Canal Zone after the year 2000 in open defiance of the Torrijos-Carter Treaties and the wishes of the Panamanian nation to be fully sovereign over its territory.

The document also praised the decision of the Panamanian people, who are rejecting every destabilization attempt from abroad against a cause that received the active support of the international community, particularly that of the peoples of Latin America, the Caribbean, and the Nonaligned Movement.

Panamanian Deputy's Remarks

FL270218 Havana Television Service in Spanish 0100 GMT 27 Feb 88

[Text] After the recent events that have occurred in Panama, U.S. interference in that country remains in force. The United States has publicaly expressed support for deposed President Eric Arturo Delvalle while they also study their options.

As expected, in the domestic sphere, National Civic Crusade leader (Gilbert Mayon) expressed support for the former president's dismissal of Noriega from the Defense Forces. (Mayon) also called for a strike by the National Civic Crusade, which is supported by the Reagan administration.

Luis Gomez, vice president of Panama's Legislativ Assembly, expressed his views on the campaign against Noriega and the implication of this for the United States. Gomez departed for his country today after visiting Cuba at the invitation of the National Assembly of the People's Government.

[Begin Gomez recording] The real objective of this news conference is to express the views of our parliament and to explain what led up to the current events in our country which began yesterday afternoon and the implications of these actions.

As the international press knows, Panama, the Panamanian Government, and particularly General Noriega, chief of the Panamanian Defense Forces, have been the objects of an international campaign of accusations to discredit the just cause of the Panamanian people. This goal, the root of this campaign, lies beyond economic problems, beyond drug trafficking problems. It is exclusively related to political problems and the problems of military bases and the Southern Command in Panamanian territory.

Over the past 2 years the United States has insisted on bending the conscience and dignity of the Panamanian people so we would intervene in the domestic affairs of the brother Republic of Nicaragua. When the chief of our Defense Forces and the Panamanian people's movement refused to do this—the United States believes they have a right to make demands and they believe they have a right make decisions on Latin America—Reagan's policy in Panama experienced a great setback in Panama and the United States.

During the past 8 months this U.S. policy has failed. It failed in all its attempts. It failed because it did not count on the people's movement. Panamanian society did not echo their sentiments. The United States went to the extreme of using some bad Panamanians so they could precipitate a farce, so they could hold a trial in the Department of the United States [as heard], in the Senate, and later in the courts.

These facts also forced former President Arturo Delvalle, during his last visit to the United States, to reach a compromise with Elliott Abrams, which has resulted in Delvalle's final decision in accordance with the guidelines, in accordance with the compromise reached with Abrams to find a solution to the Panamanian crisis by separating Gen Noriega from his position.

However, once again, the United States is mistaken about Latin America and the Panamanian people. The Panamanian people took to the streets; the military made a patriotic statement; and workers and peasant leaders yesterday maintained a firm position. They took to the streets, went to the barracks, activated the parties, and united against that so-called colossus of North America, the Reagan administration. It was decided last night to not comply with the goals of Abrams or the Reagan administration. [end recording]

U.S. Troops 'on Alert'

PA261952 Havana International Service in Spanish 1802 GMT 26 Feb 88

[Text] U.S. troops stationed in the Panama Canal area are on alert for a possible intervention in Panama in view of the government crisis provoked by Washington's

maneuvers to overthrow General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces [FDP].

Early this morning the Panamanian Legislative Assembly appointed former Education Minister Manuel Solis Palma as new president of the Republic, replacing Eric Arturo Delvalle, who, despite the people's repudiation, decided to replace Noriega a few hours earlier.

According to statements broadcast by the U.S. network ABC in Panama City, the U.S. State Department requested U.S. troops stationed in the canal area to be on state of alert in case—as the order states—a U.S. intervention is necessary to bring order to the internal situation.

In addition, it was learned that the dismissed President Delvalle had met with Arthur Davis, U.S. ambasador to Panama.

FDP Commander in Chief Gen Manuel Antonio Noriega stated that if the United States intervenes in Panama, it will confront a brave and worthy people willing to fight.

In a telephone interview with Radio Nacional de Espana, Gen Noriega warned that Panamanians will not be on their knees before a U.S. aggression and added that although Panama has not made great preparations for war, it does have a heritage of dignity and bravery.

Yesterday, Noriega rejected the dismissal ordered by removed President Eric Arturo Delvalle. Noriega again had the support of the people and FDP members.

ANPP President Flavio Bravo Pardo Dies

FL271825 Havana Radio Rebelde Network in Spanish 1800 GMT 27 Feb 88

[Excerpt] The PCC Central Committee announces with deep regret that the outstanding revolutionary leader Flavio Bravo Pardo, president of the National Assembly of the People's Government [ANPP], died early this morning after suffering from a painful illness.

Born to a working family, at a very early age Comrade Flavio joined the revolutionary struggle against the capitalist exploitative regime in the ranks of the first party of the working class, which was then underground. Because of this, he suffered constant persecution and detentions. After the peoples' victory of 1 January 1959, he dedicated all his energy to the defense and strengthening of the revolution, carrying out important responsibilities in the FAR, party, and government.

Comrade Bravo Pardo's remains will be on view at the foot of Jose Marti Monument at Revolution Square from 1500 so the people of Havana, on behalf of the entire country, can honor him.

Because of his death, the Council of State has declared an official mourning period from today until 1800 tomorrow. The Cuban flag will also fly at half-mast in public and military buildings. Comrade Flavio Bravo Pardo will be buried with military honors.

Bravo Pardo's last post was president of the ANPP. [passage omitted]

Dominican Republic

Balaguer Reshuffles Cabinet, Other Posts

PA280442 Madrid EFE in Spanish 0356 GMT 28 Feb 88

[Text] Santo Domingo, 27 Feb (EFE)—Dominican President Joaquin Balaguer began to reshuffle both his Cabinet and other top officials of the State Secretariat.

Balaguer designated Juan Francisco Grullon to head the Dominican Agrarian Institute, replacing Sandino De Jesus, who was appointed agricultural adviser of the executive branch.

He designated Deputy Minister Temistocles Metz secretary of sports, physical education, and recreation, replacing Andres Vanderhorst, who is also president of the Liberal Party. Labor Secretary Roberto Martinez Villanueva was appointed finance secretary, replacing Jose Carlos Isaias, while Mario Read Vittini, legal adviser of the executive branch, was designated labor secretary, replacing Martinez Villanueva.

Balaguer also appointed Noe Sterling Vasquez director of the Price Stabilization Institute, replacing Katiuska Bobea de Brenes.

Foreign Minister on Panama Situation

PA261407 Madrid EFE in Spanish 1305 GMT 26 Feb 88

[Text] Santo Domingo, 26 Feb (EFE)—The Dominican Republic today advocated the total subordination of military power to the legally established civil power, Foreign Minister Donald Reid Cabral told EFE.

Asked about President Eric Arturo Delvalle's decision to dismiss General Manuel Antonio Noriega as chief of the Defense Forces and the Panamanian military decision to disobey the presidential mandate, Reid Cabral reiterated to EFE that the Dominican Republic respects the internal affairs of every country.

Nevertheless, Reid Cabral said: "Governments should be the product of elections in which the people's desire is freely expressed."

"We hope they will find a solution to this conflict in which the civilian power prevails," Reid Cabral added.

Haiti

Communique Issued on First Cabinet Meeting

FL262013 Port-au-Prince Radio Nationale in Creole 1400 GMT 26 Feb 88

[Text] A communique from the Ministry of Information, Mass Education, and Tourism states that the new government met in a council of ministers for the first time on Wednesday, 24 February 1988. President Leslie Manigat presided over the meeting, which lasted 8 hours, from 1500 to 2300.

The Cabinet discussed the country's finances; the need to quickly begin labor-intensive projects; the problem of government employees who have not yet been paid for the month of January or even earlier months; contraband, which constitutes a challenge; the matter of the candidates to the baccalaureat exam; the talks to reopen the university; and the reorganization of the ministries.

Regarding Haiti's financial situation, Finance Minister Alain Turnier reported on the situation as it is at present. According to the minister, customs and the tax office do not bring in enough money. In addition to this, the U.S. Government decided to cut off the aid it used to give Haiti without consulting with the Haitian authorities. According to the minister, all these things are the reason for the country's difficult situation.

To prove what he was saying, the minister showed his colleagues a chart which showed how customs income has been dropping.

To resolve this problem, the government asked the finance minister to insist that the General Customs Administration and the General Tax Office make a still greater effort to have money come into the state coffers as it should, as stipulated by law.

As part of the government's policy of social justice, they decided they had to immediately readjust the salaries of the members of the government and of high-ranking officials in the public administration and in the autonomous institutions for which the public administration is responsible.

While waiting for the country's situation to permit them to raise the salaries of lower-level employees, they are going to reduce the salaries of high-ranking employees between 10 and 20 percent. Thus, the salaries of the president of the Republic, the prime minister, the ministers, general directors, and public administration cadres were set at between 4,500 and 40,000 gourdes. They will shortly submit a budget law modification proposal to parliament for its approval.

The council of ministers approved the austerity measures the Finance Ministry has already applied to the operating budgets of the various ministries, as well as the initiatives undertaken with international organizations and friendly countries designed to improve Haiti's economic situation.

Regarding labor-intensive projects, the minister of public works informed the Cabinet that his ministry is going to begin immediately to restore and provide maintenance for equipment in the towns. The council of ministers also agreed that bids should be called for right away so that work can begin as soon as possible on the construction of the Carrefour road, for which money has already been allocated.

After contacts with representatives of the United Nations and of other countries that have not cut off aid to Haiti, the government has decided to publish as soon as possible a list of all the projects for which there is already money available.

The government is also approaching still more foreign countries and international organizations in order to find additional aid. It is also taking steps to enable it to employ development aid better and as promptly as possible. The government is going to publish the results of these measures as they come up.

The government is going to take other measures to encourage and organize the people's participation in the work of rebuilding the country. The basis of these measures will be a campaign to motivate the people and mobilize everyone in a national konbit [Haitian cultural tradition of cooperative effort similar to an American barnraising].

All this must be done before the government prepares to begin its priority programs in the coming years to provide employment in the areas of irrigation, hill erosion protection, low-cost housing, roads, foodstuffs production, agricultural products marketing, etc.

As to employees who have not yet received payment for the month of January or even earlier, the finance minister explained that the checks were delayed because many government employees neglected to get their fiscal I.D. cards, and also because the names on the checks do not match the names on the employees' I.D. cards. However, said the minister, all the January checks have already been prepared and distribution has begun.

Concerning the Haitians working on PL480 Title III projects, the reason they stopped paying them is that the U.S. Government unilaterally decided to suddenly cut off aid. However, the Haitian Government is taking steps to pay these employees as soon as possible. They will get all the money owed to them for work performed before the aid was cut off.

Regarding the waste affair, the government is very concerned about this waste, which is a threat to the health of the population of Gonaives and the entire surrounding area. It has taken the following measures:

It has ordered a wall erected all around the area where the waste was dumped, to prevent the population from approaching because it is dangerous. The population will be forbidden to approach the area.

It has sent a sample of the waste to European laboratories for analysis, and it is expecting the results shortly.

It has received assurances from the U.S. Embassy that the U.S. Government is going to give all due consideration to the problem of the waste dumped in Gonaives by a private U.S. firm in order to take appropriate measures.

It is asking all specialized UN organizations to help it with this matter.

It is planning to draft a law on this matter in conformity with Article 258 of the Constitution. It is also planning to take measures in connection with this matter.

It asks the courts to continue the investigation to identify and prosecute everyone with any responsibility for this waste business, regardless of whether the people involved are foreign or Haitian.

Regarding contraband, the Council of Ministers decided to take steps to really combat contraband, because this illegal traffic constitutes a challenge that prevents the government from organizing the country normally. The government is going to form a committee made up of representatives of several ministries to go back over the file and make recommendations. At the same time, the government is going to make a big effort to lower the cost of living.

In reference to the 1987-88 baccalaureat exam, the Council of Ministers, after learning that the Ministry of Education contacted the parties concerned and asked them to continue these talks in keeping with the proposals made on the exam.

The council of ministers acknowledged that the problem of the university is a very serious one. Therefore, it decided to work on the university file at a future meeting. This will allow them to make the reforms needed to reorganize the university. These measures are indispensable because the university has a role to play in the country's development.

The government is also going to study the problem of the nursing school.

The council of ministers is preparing the laws that will organize the new ministries and reorganize the old ones in keeping with the new responsibilities they now have.

This press release is signed by Roger Savain, minister of information, mass education, and tourism.

Costa Rica

Foreign Ministry Communique on Panama Situation

PA281822 Hamburg DPA in Spanish 1718 GMT 28 Feb 88

[Foreign Ministry communique on events in Panama; date not given—quotation marks as received]

[Text] San Jose, 28 Feb (DPA)—The Costa Rican Foreign Ministry has issued the following communique on the recent events taking place in Panama:

"In view of the recent political events occurring in our neighbor the Republic of Panama, the Costa Rican Government, loyal to its institutional tradition and to the democratic values that are the historical foundation of its nationality, as well as to the principles of international law that regulate the peaceful coexistence of nations, hereby reaffirms its unyielding support of the principles of a pluralist democracy, of the free determination of peoples, and, consequently, of one of the foundations of democracy, which is that military forces must invariably be subject to the civilian authorities.

Therefore, the government of the Republic condemns all actions that harm the democratic lives of nations, and is confident that Panama's political situation will be resolved quickly and satisfactorily, within a framework of respect for civilian institutions, which will help guarantee the full exercise of the rights of democracies and of the constitutional regulations that shall govern life in that sister nation."

Arias Comments

PA270006 San Jose Radio Impacto in Spanish 1830 GMT 26 Feb 88

[Statement by President Oscar Arias; date and place not given; recorded—broadcast in progress]

[Text] ...the great majority of Costa Ricans feel saddened and hurt that Panamanians are unable to enjoy the tranquillity and social peace enjoyed by Costa Ricans. I continue to believe that as long as Central Americans or Latin Americans are unable to choose their leaders freely, it will be very hard to attain peace. I believe free elections are needed in Panama to get things back to normal.

However, the Panamanian situation at present is very confusing. I have talked about the situation with our acting foreign minister, Carlos Rivera, who is in permanent contact with all the Latin American foreign ministers. I have also talked about it today with Guillermo Villalobos Arce [Costa Rican ambassador to the OAS], because I believe they are attempting to call an OAS meeting. He told me that at present there are two accredited Panamanian ambassadors to the OAS.

Thus, I would like to wait a while to see how events develop in Panama. We will be active agents in trying to calm the situation in Panama; not only because it is our moral responsibility, but because it is a neighboring country, and whatever happens there will have repercussions and perhaps serious consequences here.

I very much want tensions to quiet down in Panama and for there to be no violence or bloodshed. The worst that can happen to Costa Rica would be for there to be a civil war in Panama. We already have thousands of Nicaraguan refugees who have fled their country in quest of the peace and tranquillity that Costa Rica offers. We would not like to have a Panamanian wave of refugees as well. Thus, I hope that Panamanians have sound judgment. Let us pray that rationality will prevail, that Panamanian leaders will be inspired with wisdom and good sense, and that the Panamanians' interests will take precedence over any other interest. In the coming hours I would like to stay very close to the media to be able to report any new event in that country, but, at present, this is all I can tell you.

El Salvador

Government Condemns 'Arrogant' Acts in Panama

PA272252 San Salvador DIARIO LATINO in Spanish 27 Feb 88 p 7

[Communique issued by the government in San Salvador on 26 February]

[Text] In view of the political incidents that occurred in Panama yesterday, the Salvadoran Government announces the following to the nation and the world:

1. The Salvadoran Government is profoundly concerned about the climate of uncertainty Panamanian society is experiencing.

2. The change in the normal development of Panamanian institutional life flagrantly violates the consensus that must exist among the nation's various sectors and forces to have social peace.

3. The Salvadoran Government reiterates its profound conviction that respect for democracy is the proper framework in which to resolve the challenges and problems the Panamanian people have faced for many years.

4. The Salvadoran Government stresses its support for the prevalence of democratic institutions, whose preservation and strengthening must regulate the relationship among the country's various sectors in order to reestablish constitutional order, which has been repeatedly disrupted during the past few years.

5. The Salvadoran Government emphasizes its support for the decisions President Eric Arturo Delvalle has made during his term in office, decisions made in his capacity as chief of the executive branch and for the sake of the country's highest interests.

6. The Salvadoran Government expresses its greatest indignation in the face of the arrogant and unjustifiable acts of those who, violating the law and the most basic principles of peaceful coexistence, place their ambitions and personal interests before those of the people.

7. The Salvadoran Government issues a call to the world's democratic countries, particularly in Latin America, to join our categorical condemnation and to support the Panamanian people's desires for peace and democracy.

Duarte Supports Delvalle

PA262110 Panama City ACAN in Spanish 1824 GMT 26 Feb 88

[Text] San Salvador, 26 Feb (ACAN-EFE)—Salvadoran President Jose Napoleon Duarte today expressed his support for dismissed Panamanian President Eric Arturo Delvalle, and he said he "rejects any kind of coup attempt that Noriega could carry out."

In an official communique, Duarte expressed his "emphatic protest because of General Noriega's disrespectful attitude," and he "condemned any action" the Panamanian military might take against the democratic constitutionality of the Republic of Panama.

The Salvadoran Christian Democratic president termed Delvalle's action "a momentous decision to dismiss or remove" Gen Noriega as commander in chief of the Panama Defense Force.

"El Salvador as a democratic nation will never agree to the resolution of abuse of power by imposing Noriega's dictatorship on the Panamanian people," the communique signed by Duarte states.

The communique adds: "This is the position I want to convey to the Panamanian people as president of the Republic. Democratic El Salvador is supporting a democratic and constitutional solution in Panama."

Duarte also emphasized that he "repudiates" any coup d'etat Gen Noriega may carry out.

Today at daybreak the Panamanian Legislative Assembly in an emergency session removed President Delvalle and appointed Manuel Solis Palma, 70, who had been education minister.

Nicaragua

President Ortega Addresses Rally in Monimbo

PA280311 Managua Domestic Service in Spanish 2153 GMT 26 Feb 88

[Speech by President Daniel Ortega at a rally in Moninmbo, Masaya Department; monitored in progress—live]

[Text] ...recommending that the Nicaraguans should be like this or that country. Let them examine themselves first to see how they are and find out if they are infected. They should first find out how to cure themselves before trying to come here to cure Nicaraguans. We Nicaraguans can cure ourselves, alone. [applause]

Were those people concerned when the people of Masaya and of all Nicaragua were rebelling in February 1978, 10 years ago? Were they worried then? Nicaragua did not exist for them. They did not even know where Masaya was. Even if they were shown maps, they did not know where Nicaragua was, much less where the Monimbo neighborhood was, or the Jutiava neighborhood, or any neighborhoods along the northern Managua highway. They did not know anything about this.

We Nicaraguans were the ones who were curing ourselves with our own blood; we were curing ourselves of the disease the Yankees had brought here. The disease brought over by the Yankees was the worst kind of disease. It was the disease of injustice, selfishness, exploitation, and discrimination. Those rich people, those millionaires are now saying they are worried about the poor and hungry.

They should not tell us such a story, as we know perfectly well they have never even seen a [words indistinct] peasant. Have the millionaires ever seen the streets of Masaya or a Monimbo Indian? When they saw an Indian walking down a sidewalk, they crossed the street to avoid him. They mocked the Indians, the peasants, and the poor. These people were walking on clouds; they had no idea what the people were, what hunger was, or what poverty was.

The owners of the CIA newspaper were doing very well. Do you think the owners of the CIA newspaper have ever experienced hunger? [crowd answers, "No!"] The owners of the CIA newspaper do not know what hunger is, yet they say they are worried about hunger. The owners of the CIA newspaper are hungry; yes, they are hungry. The COSEP [Higher Council of Private Enterprise] leaders are hungry; yes, that is right, they are hungry for dollars. The people are very wise: They can easily reach that conclusion. [applause]

The leaders of the parties that oppose the revolution are also hungry; yes, that is right, they are also hungry for dollars. Some speculators protesting against the monetary measures are also hungry for dollars and have been stuffing themselves. Now they are disgusted with the measures adopted by the people and the revolution. [chants]

Reagan said 2 days ago that the people are turning their backs on the FSLN. His spokesmen are saying the same thing, and this has also been repeated here by the CIA newspaper and the right-wing political parties, as well as by the COSEP millionaires. We wonder, then, how about the crowd that is here today? Did it come to support Reagan, COSEP, and the CIA newspaper? [crowd shouts, "No!"]

They think the people today are the same as they were before. They think the people can be deceived with little lies and candy bars. They do not want to understand that the people have not deceived anyone, but that the people cracked their whips and threw them out of the Somozist temple. The people threw them out through the revolutionary struggle; the people threw them out of Monimbo and Masaya. The people did not turn and run; the people got rid of them with bullets. When the people were fighting against Somoza's guardsmen, the people were also fighting against those who were serving the exploiters' interests.

Our people are completely clear about their future. When the people mobilize, the people do not need to be offered liquor and tamales, as COSEP and the Yankee embassy offer. The people are here, but they have not been offered money, liquor, or tamales. [shouts]

Why did you come here? You came because you have a conscience, because you are Sandinists, because you are convinced that the revolution is the only road toward peace and prosperity, otherwise you would not be here. You have come here despite great difficulties, because you cannot hide your heads in the sand; but we are not denying that we are going through difficult times, because we are going through difficult times. We had to take economic measures a few days ago to face outside problems, to better distribute our resources, but that does not mean that the difficulties will end, because the difficulties have not been caused by the revolution.

The difficulties have been caused by U.S. Government policies. Who suspended the credits so Nicaraguans could not purchase wheat and oil. Who suspended these credits? Reagan. Reagan was the one who suspended these credits. This was money that did not come out of Reagan's pockets—Reagan has a few million dollars. This was money from the U.S. people, and I am sure that if the U.S. people had been asked, the U.S. people would not have agreed to cut this economic aid to the Nicaraguan people. But who really cut this aid to the Nicaraguan people? Who ordered the mining of the ports? Who ordered the explosion of the Corinto fuel tanks? Who ordered the economic embargo against Nicaragua? Who orders the Nicaraguan people killed? Who destroys the schools? Who destroys the health centers? Who causes scarcity for the Nicaraguan people? Reagan's policy. This is the big problem.

To defeat Reagan's policy, we must use our rifles, the unconventional warfare battalions, and the heroic Sandinist popular militia to end the fighting. These militia are today celebrating their 10th anniversary, because these militia started fighting 10 years ago here in Masaya, here in Monimbo, here in Nicaragua. Here we are a single army of workers, of peasants, of youth, of patriotic Nicarguans, who are defending the revolution with their weapons in their hands. We shall continue fighting the mercenaries. The U.S. Congress is talking of approving new funds for the mercenaries. Are we going to surrender if more funds are approved for the mercenaries? [crowd shouts, "No!"] Are we going to stop fighting if new funds are approved for the mercenaries? [crowd shouts, "No!"] Are we going to lay down our weapons if new funds for the mercenaries are approved? [crowd shouts, "No!"] We will take up our weapons, we will defeat them, and we will crush those criminals until they turn into dust. [applause]

We are waging that battle in the military field, but we are also waging that battle in the economic field. Some say they are starving to death. Actually, they are opportunists, claiming they are starving to death. They have never experienced hunger. They do not want to work. He who went hungry in Somoza's time—and that meant most of the people, for we all went hungry in Somoza's time—I remember my mother [words indistinct] because there was no free health care, and my two older brothers had died. They became sick, nobody helped us, and we could not pay for a doctor. They went to Juigalpa from Managua, risking their lives. There was nothing to eat. We were evicted because we could not pay the rent. That is what life in Nicaragua was like.

Most peasants did not have any reason to even hope they could eat. The peasants went hungry in those days. There was no right to make any demands. In other words, we did not have any right to demand anything; we could not demand even one-fourth of a liter of cooking oil. We had no right to demand a sugar ration, a beef ration, or a rice ration. We did not have a right to make any demands; we did not have that right. That is the revolution's achievement. That is the Nicaraguan people's achievement.

Now, all peasants and workers have a right to demand food. Here, everyone makes demands and protests when there is a lack of some product. What is the formula for having a more or less regular supply of products? Right now, we do not have adequate supplies because of the war and the aggression.

First, we are obliged to make an effort to produce. To produce means to work, to plant beans, corn, and staples. We must organize the production of vegetables, [words

indistinct]. We must increase the production of [words indistinct]. We must all try to produce more. Everyone must produce so that together we will have production, even if it is not enough. We must get together with the comrades who work in the markets in Masaya, Managua, and throughout the country. The comrades who work in the markets work hard; they have been working there for years and have good experience as market vendors. They respect the law; they are legal merchants. We must get together with them, so they will distribute the products at the official prices.

Those other merchants have suddenly made an appearance in the market; they have shown up at the last minute. There is freedom for everyone. Let them find a way to work; they must learn to work in the fields, in the factories, in the productive sector; they must produce shirts, beans, corn. They should leave the legal merchants alone. [applause]

With these measures, we cannot please everyone. It is difficult to please everyone. Why should we please some illegal merchants who are just hoarding and charging speculators' prices for products, stealing from the workers? Shall we try to please them? [crowd shouts, "No!"] Or should we put them where they belong? What do you think? Shall we let the speculators do what they want? [crowd shouts, "No!"] Shall we put them where they belong? Shall we send them to produce? Let's see who agrees with these measures. [Station correspondent observes that everyone here in Masaya is raising their hands and agreeing with the idea of sending the speculators to produce. This is the triumphant struggle of the people against the speculators].

We must also organize the enterprises—the state enterprises, that is, the people's enterprises that are administered by the state—and the private enterprises that produce. Everything seems to indicate that some of these enterprises are keeping some of the products and not sending them to the market. They are doing this, waiting for price changes. We cannot allow this.

Tomorrow we will have a full Cabinet meeting, and representatives of the workers will be there. The purpose of the meeting is to order that as of Monday all the enterprises must sell products at official prices and to see what we will do if the correct prices are not marked. [applause] The products must be found; they must be somewhere.

We must send the speculators off to work. That is true. This work must be done by all. It is not a question of starting off [words indistinct] and go out one day to fight the speculators and then we just sit down. We cannot leave this task just to MICOIN [Ministry of Domestic Trade] and the police. This task must be taken up by all of us. [shouts]

I am sure that we will wipe out all speculators. Someone told me yesterday that they had purchased a product that was not really needed if it cost much. No one will die if this product is not purchased; we must show some restraint. If we give the speculators a free hand we will be cutting our own throats. Sometimes I hear on the radio that if you want to buy certain items you have to pay someone because there is no other way. [sentence as heard] No, that is a weak attitude. The revolution does not have loafers. Loafers do not defend the peoples' interests, or the workers', or the peasants'—there are certainly no loafers. The time has come to act firmly against speculators wherever they may come from. We must fight these speculators. This is how it is.

You know we are also working on other fronts, including international moves and peace initiatives. Nicaraguans, after the 19 July triumph, are one of the people with the world's greatest knowledge of international politics, economy, and the handling of weapons. This is a people with a general knowledge that enables them to understand problems, deal with them, and be able to defend the revolution.

On 7 August 1987 we signed a peace plan in Guatemala. That peace plan has eight points. There is a point that refers to national dialogue. There is another point that refers to the cease-fire. The Nicaraguan Government, to enact the peace plan, made a gesture, an extraordinary effort—truly extraordinary—to meet with Cardinal Miguel Obando y Bravo. He is the leader of the Catholic Church in Nicaragua and I am the president of this country, with a political responsibility to the people. You [Obando y Bravo] also have a moral responsibility to the people. Both of us were born in the same town, La Libertad, in Chontales.

I am here to propose to the cardinal that we work together for peace, and set an example—he, as a leader of the Catholic Church, and I, as president of the Nicaraguans—to work for peace. This was suggested to the National Reconciliation Commission. Then I told him when we were both alone, that he also, working for peace, could be the mediator in talks with the U.S. Government mercenaries on the question of the cease-fire. He said he agreed, and was willing to work for peace among Nicaraguans.

We have been working all this time, from 7 August to the present. Concerning the cease-fire, the cardinal, who knows the Esquipulas peace plan very well, knows the cease-fire discussions are going to be exclusively devoted to discussing matters of form, of the ways and means for the counterrevolutionaries to cease fighting, lay down their arms, and seek amnesty.

As soon as they accept the amnesty, they will be able to participate in the country's political life. That has been very clearly defined in the Guatemala document. There is no way to hide it. However, at the meeting in Guatemala City on the 18th and 19th of this month, the

following things happened: First, I am going to refer to the constructive aspects, and then I will mention the [words indistinct], because I believe all Nicaraguans, all human beings [words indistinct] must always be willing to listen, must be humble, aware that anyone can make a mistake. No human being, no matter how lofty his political or church rank, is free from the possibility of making mistakes. This obliges us to act with the utmost patience and calm. As Christ said...[changes thought] I went to this school we have here, a Salesian school [words indistinct] and I was taught here that one should not be arrogant, that one has to be humble, and that this was the example set by Christ.

It is worthwhile to be a soldier of peace, to be a messenger of peace. The search for peace is a very complex matter that forces us to work hard. I believe we are trying hard. Both Cardinal Obando y Bravo, as head of the Nicaraguan Catholic Church, and I, as president of Nicaragua, are obliged to exert the utmost efforts to help build that peace. Because the fact is that there are Nicaraguans dying every day, not through any fault of ours, but because of the U.S. Government. That war must be stopped. It can be stopped by fighting the mercenaries, but it can also be stopped through political and diplomatic negotiations.

The cardinal submitted a proposal at the 18 and 19 January meetings in Guatemala. His proposal concerned the objective of the meetings to negotiate a cease-fire. Because political matters are discussed with unarmed groups. [sentence as heard] Political subjects are discussed with civic opposition groups, but political subjects are not discussed with armed groups.

The Guatemala agreement reads as follows: The governments of these countries pledge to carry out the necessary actions to effectively achieve a cease-fire within a constitutional framework.

In addition, the document states the following concerning the political dialogue: It is necessary to create the necessary legal mechanisms that permit dialogue with opposition groups. Therefore, the corresponding government will begin a dialogue with all the unarmed political opposition groups in the country and with those who have sought amnesty. The Guatemala agreement is very clear about this.

When Cardinal Obando y Bravo proposed this agenda on 18 February, we found it to be quite good. The proposed agenda stated—It was a proposal, I repeat, made by Cardinal Obando y Bravo after the agenda had been submitted by the constitutional Government of Nicaragua and after the agenda sent by the CIA through the contras became known. There were several points of agreement, which the cardinal called points of convergence, in which the government defines the concept of zones, the geographical outlining of the zones, supply of the zones, mixed verification commissions on the cease-fire, and date and duration of the cease-fire. The contras stated conceptual definitions; geographic outlining of zones; modus operandi; commissions, supervision, and verification instruments and mechanisms; and creation of schedules.

We found the points presented by the cardinal quite good as points of the agenda to begin discussing the cease-fire. The U.S. Government, CIA, representatives there, the contras, also agreed.

In response to the letter sent to me yesterday by Cardinal Obando y Bravo, today I am sending him another letter where I tell him that I am completely in agreement with holding the meeting as soon as possible. Because we want this to move ahead, we had proposed that the meetings be held for 3 days, from the 26th to the 28th. These talks should have started today, the 26th.

The cardinal proposed this date to the counterrevolutionaries. They, however, rejected the proposed date and, in turn, proposed another date in mid-March. In yesterday's letter, the cardinal proposed the dates of 9, 10, and 11 March. Even though it is not the best alternative, because the best thing would be to hold the talks as soon as possible, I am telling the cardinal that we are willing to have the meetings on 9, 10, and 11 March. In addition, we are telling the cardinal that the agenda will be the same one he submitted as common points of agreement at the Guatemala meeting. These are the points that deal with the cease-fire.

In this case, the mediator's task is to help in reaching an agreement regarding a specific point called the end to hostilities or a cease-fire. The issue at stake is precisely that: a cease-fire, an end to the fighting. Afterwards, the mercenaries will be able to lay down arms. There would be international supervision to guarantee their safety. They would then automatically come under the amnesty law. That is our answer.

It is our hope that Cardinal Obando y Bravo, who knows the Guatemala agreements very well, will make the utmost efforts, as he has been doing up to now, so that we can discuss at that meeting those issues that should be discussed. The issues have already been accepted both by the Nicaraguan Government and by the CIA representatives, the U.S. Government representatives.

I have sent this letter today to Cardinal Obando y Bravo, and I hope that on 9, 10, and 11 March the meeting in Guatemala will take place to deal with the cease-fire based on the agenda proposed by the cardinal.

This is how we have worked and will continue to work for peace. However, while we Nicaraguans make these strenuous efforts for peace, the U.S. Congress continues to discuss the type of financing, the type of aid to be sent to the mercenaries so that they can continue to murder Nicaraguans.

The proposals abound from both sides. However, in the long run, the proposals are not so different. We have already said that the U.S. Congress has no right to be discussing what type of policy must be taken toward Nicaragua. The U.S. Congress has no right to be discussing what type of financing must be given to the mercenaries to continue assassinating the Nicaraguan people. The U.S. Congress and the U.S. President appear to be somewhat confused. They think that Nicaragua is yet another state of the United States. Nicaragua was another state of the United States until 19 July 1979. But since 19 July, Nicaragua stopped being another state of the United States.

They, the U.S. people and President Reagan, must be convinced, must be persuaded that Nicaragua is not another state of the United States. Our people were a people that were subordinated to the U.S. Government. Do you have U.S. passports? [crowd shouts, "No!"] What passport do you have? Our passport is the passport of dignity. Our passport is the passport of patriotism. Our passport is the passport of sovereignty, the passport of independence, the passport of liberty. And only we Nicaraguans and nobody else can give us that passport.

This struggle that we Nicaraguans are waging is nothing new. The United States has always viewed and treated Latin American and Caribbean countries as colonies. Just as they established the blockade and waged war and isolated Cuba, just as they invaded Grenada, just as they assassinated Allende in Chile, just as they are displeased with us—Contadora and the Support Group—just as they were displeased with Nicaragua, because Nicaragua is a rebel country that does not submit to Yankee domination, now they are displeased with the Panamanian people. They are displeased with the Panamanian people, because there a general like Sandino, General Torrijos, said to the U.S. people: The dignity of Panama is not for sale. [applause] The Panamanian people are marching; they were marching at the same time that the Nicaraguans were marching in Masaya, Managua, Esteli, Chinandega, everywhere. They have also been marching on the streets of Panama in defense of sovereignty and the integrity of the Panamanian people. [applause]

We are not two-faced. We are not familiar with the language of hypocrisy. When we are friends of a government and a people, we express our friendship to that government and that people regardless of how isolated and alone it may find itself. The Panamanian people and the Panamanian military, the Panama Defense Forces [FDP], and the FDP commander in chief, General Manuel Antonio Noriega, can count on all the support of the fighting people of Nicaragua. [applause]

Take a look at what the cynical, hypocritical policy of U.S. presidents is like. President Reagan says he is against drug trafficking. That is fine. Everybody is against drug trafficking. However, his millionaire friends include well known, renowned drug addicts, drug traffickers, gangsters—all are included among President Reagan's circle of friends. He should set the example by resigning and by denouncing and imprisoning his pals first.

It so happens that as long as the U.S. Government did not engage in big conflicts with the Panamanian Government, the FDP, and Gen Noriega, it had no problem with Gen Noriega. But when the U.S. Government told Gen Noriega that they needed him to support them in an invasion against the Nicaraguan people, and Gen Noriega and the FDP said no, then it turned out that Gen Noriega was a big sinner. He was not a big sinner before. When he did not agree to be an accomplice in an invasion of Nicaragua, then Noriega became a big sinner. They have launched a campaign in the United States and Latin America to discredit and isolate Panama. This campaign is really against Panama, not Noriega.

This is an action against Panama; it is an action against Torrijos; it is an action against the dignity of the Panamanian people. It is an action to rouse the strength, belligerence, the fighting spirit of the Latin American and Caribbean peoples. The North Americans want to stay forever as masters of the Panama Canal. But that is something they will not admit. What threat hovers over Panama at this moment? There is the threat of Yankee intervention. But we are convinced and certain that if the Yankees dare to invade Panama, just as in Nicaragua or in any country of Latin America or the Caribbean, they will come up against the fighting resistance of the Panamanian people, and all the peoples of the world will be alongside the Panamanian people. [applause]

We have commemorated this day, the 10th anniversary of the heroic events of February 1978, which remind us of the heroic and fighting figures of Gaspar Garcia Laviana, wearing his red-and-black handkerchief around his throat, with his rifle in his hand, entering Rivas in early February. It reminds us of the heroic figure of Panchito Gutierrez, that Nicaraguan worker who, armed with his machinegun, defended to the last second his Sandinist brothers, giving up his life that heroic February. [applause] It reminds us of Camilo; it reminds us of the Monimbo heroes; it reminds us of the heroes of Nueva Segovia; it reminds us of the heroes of Granada; it reminds us of the heroes of Managua; it reminds us of all those thousands of Nicaraguans who throughout our territory raised their fists, their arms, their voices to confront the dictatorship of Somoza. Those heroes, our heroes, those saints, our saints, are with us and go with us in our unyielding defense of the Sandinist people's revolution.

Long live the heroes of Monimbo! [crowd shouts, "Viva!"] Long live the heroes of Masaya! [crowd shouts, "Viva!"] Long live the heroes of Nicaragua!" [crowd shouts, "Viva!"] For a dignified peace! [crowd shouts] The enemies have not passed! [crowd shouts] The enemies have not passed! [crowd shouts] Free fatherland! [crowd shouts, "Or death!"]

Ortega Agrees to Talks in Letter to Obando

PA270120 Managua Domestic Service in Spanish 2251 GMT 26 Feb 88

[Letter from President Daniel Ortega to Cardinal Miguel Obando y Bravo, released in Managua on 25 February]

[Text] Managua, Free Nicaragua, 25 February 1988.

For an honorable peace.

Free fatherland or death.

Your Eminence, Cardinal Miguel Obando y Bravo, president of the Episcopal Conference of Nicaragua:

Your Eminence, I am writing to you to state my government's position on the important task of searching for a cease-fire within the framework of the agreement reached by the five Central American presidents on 7 August 1987—the agreement known as Esquipulas II.

I must acknowledge the efforts that you and the mediation team you head have been making in recent months to reach a cease-fire. I believe it is important to reiterate that my government deeply respects the commitments made by the five Central American presidents when they signed the Esquipulas II agreements. Points No 1 and No 2 of these agreements clearly establish the difference between the commitment to make efforts to secure a cease-fire with rebel groups, and the commitment to initiate a political dialogue with unarmed domestic political opposition groups and with groups that have taken advantage of the amnesty.

Regarding the cease-fire, the Guatemala agreement states, I quote: The governments of these states commit themselves to carrying out all actions necessary to secure an effective cease-fire within a constitutional framework. Regarding the political dialogue, the agreement states: The governments must create lawful mechanisms that will permit a dialogue with the opposition groups. To achieve this, the governments will initiate talks with all the unarmed domestic political opposition groups and with those who have taken advantage of the amnesty.

Abiding by the spirit and the letter of the Esquipulas II agreements, I want to confirm that my government accepts as valid the first proposal or point of convergence regarding an agenda for the cease-fire that you presented on 18 February, in Guatemala City, to the Nicaraguan Government delegation and to the counterrevolutionary delegation.

That agenda states: Points of Convergence:

The Government:	A definition of the zones concept
The Resistance:	Conceptual definitions
The Government:	Geographic outlining of zones
The Resistance:	Outlining of the zones
The Government:	Supplying in the zones
The Resistance:	Modus Operandi
The Government:	Mixed commissions and verification of the cease-fire.
The Resistance:	Commissions and supervision and verification instruments and mechanisms
The Government:	Dates and duration of the cease-fire
The Resistance:	Creation of schedules

It is important to remember that these points of convergence on the cease-fire issue were presented by you, and that they were accepted by both the Nicaraguan Government delegation and by the counterrevolutionary delegation.

With the certainty that this road will permit us to march rapidly toward the objective of agreeing on a cease-fire and, therefore, to stop the bloodshed as soon as possible, we accept your proposal for a new meeting in Guatemala City on 9, 10, and 11 March, at which time we will renew discussions on the points of convergence for a cease-fire, as listed here.

I would also like to inform you that Major General Joaquin Cuadra Lacayo is ready to attend that meeting. We expect that the counterrevolutionaries, complying with a concern you have expressed, will raise the rank of their delegation.

Respectfully yours,

Daniel Ortega Saavedra

President of Nicaragua

Ortega Expresses Solidarity With Gen Noriega

PA260536 Panama City Domestic Service in Spanish 0411 GMT 26 Feb 88

[Communique from the Information and Press Office of the Nicaraguan Presidency, issued in Managua on 25 February—read via telephone from Nicaragua by unidentified official—recorded]

[Text] Nicaraguan President Commander Daniel Ortega Saavedra this evening, 25 February, spoke by telephone with Panamanian Defense Forces Commander General Manuel Antonio Noriega. President Ortega expressed to Gen Noriega, to the Defense Forces, and to the Panamanian people the unconditional solidarity of the Nicaraguan people and government at a time when the U.S. Government is trying to destroy the Torrijist spirit of safeguarding Panama's sovereignty.

The president of Nicaragua told Gen Noriega that in view of the threats, the blackmail, and the danger of intervention by U.S. troops, the Panamanian people can count on the militant and combative solidarity of the Sandinist people.

Managua, 25 February 1988

For a dignified fatherland or death.

Information and Press Office of the Presidency.

Panama

Delvalle Reportedly Under House Arrest

PA271705 Panama City ACAN in Spanish 1632 GMT 27 Feb 88

[Excerpt] Panama City, 27 Feb (ACAN-EFE)—Deposed Panamanian President Eric Arturo Delvalle is under arrest in his own house in Panama City, and policemen are preventing access to Delvalle's house.

The policemen, who said they had no idea what was going on inside the house or whether former President Delvalle was in the house or not, are blocking the street leading to Delvalle's house. Similarly, policemen prevented photographers and cameramen from taking pictures and video recordings of the area around Delvalle's house, without giving reasons for such actions.

The presence of state security members and plainclothsmen going in and out of the house was also visible from the area around the house.

Unidentified people answer Delvalle's telephones, but hang up immediately after answering. [passage omitted]

FDP Official Confirms Arrest

PA271715 Paris AFP in Spanish 1701 GMT 27 Feb 88

[Text] Panama City, 27 Feb (AFP)—Military sources revealed today that the Panamanian Defense Forces [FDP] arrested deposed Panamanian President Eric Arturo Delvalle. He will be deported in a few hours.

An FDP general staff member, who declined to be identified, confirmed to AFP the arrest of the former president. He said U.S. Ambasador to Panama Arthur Davis is making arrangements with his government to receive Delvalle in the United States.

Delvalle House Surrounded

PA272000 San Jose Radio Impacto in Spanish 1840 GMT 27 Feb 88

[Report by Alejandro Acevedo, correspondent in Honduras—recorded]

[Excerpt] The Panamanian president has taken refuge in a neighboring house owned by his late father. The U.S. ambassador was prevented from entering Delvalle's residence. A large number of military men are surrounding the area around the residence. G-2 civilians and military men have seized President Delvalle's residence. None of the people in the house can leave.

We repeat: President Eric Arturo Delvalle's residence has been surrounded by military men. Its electricity and water have been cut off, and the street leading to the house has been blocked. No one can enter the residence.

It has also been reported that U.S. Ambassador Arthur H. Davis and Congressman Dan Burton were prevented from visiting Delvalle. U.S. Ambassador Davis emphatically stated that the Panamanian guards prevented him from doing so.

At this time, the president has taken refuge in his father's house, located next to his own residence. President Delvalle has been prevented from leaving that area. Panamanian officers and G-2 members have prevented photographers and cameramen from photographing the residence or nearby areas. The officers and G-2 members are going in and out of Delvalle's residence.

It must be noted that before his house was militarily seized, President Delvalle officially called for a general strike on Monday. The ousted Panamanian president, who failed in his attempt to remove General Manuel Antonio Noriega, called for a national strike to oppose the Panamanian militarism that threw him out of the presidential chair. Delvalle said he does not have the support of the military sector, composed of 10,000-15,000 members, but he has the support of more than 2.2 million Panamanians who are tired of living under the authoritarianism of Noriega, who governs the country at his will and whim. Delvalle said he is calling for a general

strike and for civil and passive resistance until the country's total paralyzation is achieved, beginning on Monday. [passage omitted] [end recording]

Troops Withdrawn

PA271840 Paris AFP in Spanish 1800 GMT 27 Feb 88

[Excerpts] Panama City, 27 Feb (AFP)—Former Panamanian President Eric Arturo Delvalle's whereabouts became a mystery today when opposition sources and relatives questioned reports of his alleged arrest by troops loyal to General Manuel Antonio Noriega. [passage omitted]

Residents of the central Obarrio neighborhood, where Devalle lives, said Defense Forces' patrols surrounded the house all night Friday and Saturday morning. However, the press confirmed this morning that the police chord around Delvalle's home has been removed. "There are no more problems with circulation," an officer told newsmen when they went to investigate Delvalle's whereabouts.

According to [former Air Panama manager] Manuel Jose Paredes, Mrs Mariela Delvalle remains in the house. She is accompanied by Apostolic Nuncio Sebastian Laboa. Paredes claimed to have spoken on the telephone with Delvalle at 1100, and Delvalle told him he was "all right."

Delvalle Requests 'Asylum'

PA272051 Hamburg DPA in Spanish 2020 GMT 27 Feb 88

[Text] Panama City, 27 Feb (DPA)—Deposed Panamanian President Eric Arturo Delvalle, now in hiding at an unknown location, has asked the Panamanian military authorities to permit him to leave the country.

A government source told DPA that "the Panama Defense Forces offered Delvalle an aircraft to go to whatever nation he chose, but Delvalle turned down the offer for security reasons." According to the source, Delvalle prefers to travel on a commercial flight under the protection of Apostolic Nuncio Msgr Sebastian Laboa.

Delvalle's family has been out of the country for 10 days.

A USIS official preferred not to comment on reports that Delvalle has sought asylum at the residence of U.S. Ambassador Arthur Davis.

Relatives Ensure Delvalle Safe

PA272223 Panama City ACAN in Spanish 2144 GMT 27 Feb 88

[Excerpt] Panama City, 27 Feb (ACAN-EFE)—Deposed Panamanian President Eric Arturo Delvalle will not leave for the United States to participate in the OAS meeting that will discuss the situation in Panama, members of his family have announced.

In statements over the telephone to ACAN-EFE, both the sister of the former president, Ana Raquel Delvalle, as well as his brother-in-law, David Eisenmann, and the director of the opposition newspaper LA PRENSA, I. Roberto Eisenmann, denied the announcement by Democratic Senator Edward Kennedy that Delvalle was leaving Panama.

Kennedy, on entering the OAS headquarters, where an urgent meeting is being held today to discuss the situation in Panama, announced that Delvalle will travel to the United States.

I. Roberto Eisenmann, who was to meet the former president in Miami, said Delvalle had planned to make the trip but decided at the last moment to stay in the country. "He is the president of Panama, and he is going to stay in Panama," Delvalle's sister said for her part.

The former president's sister reiterated that "he (Delvalle) is well" and is safe in the home of some friends. "We have advised him (Delvalle) not to speak on the telephone, because we know most of the phones are tapped and could thus reveal his whereabouts," the former president's sister added. [passage omitted]

Delvalle's Wife Urges Support

PA281311 Buenos Aires REUTER in Spanish 0632 GMT 28 Feb 88

[Text] Washington, 28 Feb (REUTER)—The wife [Mariela Diaz de Delvalle] of Panama's overthrown president has urged other nations to support her husband in his struggle for power against the commander in chief of the Panama Defense Forces. The president's wife said her husband needs the support of other nations to strengthen his demand for reinstatement.

During a telephone conversation with a western diplomat, Mariela Diaz de Delvalle said "the support of the Latin American countries, and the countries of the world, is very important at this moment."

During the telephone conversation, recorded and distributed to the press with Mrs Delvalle's approval, the wife of the overthrown president called on the OAS to approve a resolution supporting her husband's efforts to regain the Presidency.

"We need that support and we need it now," Mrs Delvalle added.

TV Reports Delvalle 'Kidnapped'

PA280102 Panama City Televisora Nacional in Spanish 0030 GMT 28 Feb 88

[Excerpts] Here is a last minute report: According to international news agency reports received in our newsroom this afternoon, former President Eric Arturo Delvalle may have been kidnapped by U.S. agents in Panama City today and taken out of the country illegally and surreptitiously, perhaps through an air base in the canal area. In fact, U.S. Senator Edward Kennedy announced in Washington a few minutes ago that Delvalle had left Panama and was flying to the United States. [passage omitted]

All the reports from Washington and Panama City therefore lead to the conclusion that Eric Arturo Delvalle was kidnapped from his home, possibly to take him out of the country. This occurred in mockery of our country's laws in order to take him to the United States with ulterior motives. It was learned in Panama City that some of Delvalle's relatives are in the U.S. Embassy, something that has not yet been confirmed.

Arias Calderon on Situation

PA271822 San Jose Radio Impacto in Spanish 1612 GMT 27 Feb 88

[Interview with Ricardo Arias Calderon, president of the Panamanian Christian Democratic Party (PDC), by unidentified reporter; date and place not given—recorded]

[Text] [Reporter] Mr Calderon, can you give us more details on the information you have received from Panama in the last few hours?

[Arias] I just received news from Panama and Washington stating that at this very moment, military forces are arresting President Eric Arturo Delvalle and taking him from his house, where he had stayed since 25 February, when he dismissed General Noriega. With this new report, the atmosphere in Panama is heating up even further, because this event is considered an indescribably repressive action.

In addition, I have been in touch with members of the OAS in Washington, and they sent information stating that a Latin American democratic front is being formed by the Latin American ambassadors, which is to call for an OAS council meeting to adopt a joint position supporting Panamanian President Delvalle's constitutional decision to dismiss Gen Noriega.

However, there are two governments that oppose the formation of the front: the Nicaraguan Sandinist Government and the government of General Stroessner in Paraguay. Presently, the OAS council is presided over by the Paraguayan ambassador, who has been carrying out actions to hinder the call for an OAS council meeting, therefore hindering the democratic Latin American support for President Delvalle's decision.

[Reporter] Mr Arias Calderon, we know that foreign support and help is important. However, the Panamanian people must also make an important decision. What is the current position of the Panamanian people? We received information saying the Civic Crusade and President Delvalle himself were calling on the Panamanian people to join a general strike, but that they were having communication problems because the media is occupied by the military. Do you have any information about the general strike? Will the Panamanian people support it? Will they seek a way to overthrow Gen Noriega for good, as they have been trying to do for several months?

[Arias] Activities in various sectors in Panama decreased yesterday. We will only know on Monday whether or not the population heard the call for a general strike made by various labor and civic organizations. On Monday we will know whether the Panamanian people will respond to the call even if they heard it from other people.

However, according to the reports I receive from Panama, it is clear that Gen Noriega's coup is rejected by the majority of the Panamanian people. It is also clear that his attempts to organize popular demonstrations in his favor have failed, and that in its own way, the country is preventing him from ruling the nation.

Returning to international support, I would like to add that there have been three statements throughout Latin American, that have stood out because of their exemplary firmness.

Argentine President Raul Alfonsin very clearly stated his support for President Delvalle's constitutional decision. In addition, Venezuelan President Jaime Lusinchi and Salvadoran President Duarte, who is geographically closer to us, have also expressed their support for Delvalle. In addition, several U.S. papers, including THE NEW YORK TIMES, state that those three positions are the vanguard positions of democratic Latin America at this crucial times for Panama.

[Reporter] Mr Arias Calderon, according to the reports you have received, what is the current internal situation in Panama? Have there been any confrontations between the people and the military? Are there demonstrations, or is it calm in the country? Could you give us details on this?

[Arias] As far as I know, the main independent media remain closed, including the LA PRENSA newspaper. We know the national university is still closed, and there is great tension in Panama. The calls for the strike made by the Panama Chamber of Construction, the Association of Panamanian Industrialists, and the National Council of Private Enterprise are beginning to be heard; but without any media, these organizations do not really know to what extent the calls have reached the population.

[Reporter] Thank you very much, Mr Arias Calderon. We thank the exclusive, important statements you have made to Radio Impacto concerning the Panamanian situation.

Noriega Addresses Rally at FDP Headquarters

PA262140 Panama City Domestic Service in Spanish 1930 GMT 26 Feb 88

[Speech by General Manuel Antonio Noriega at rally at the headquarters of the Panama Defense Forces in Panama City on 26 February—recorded]

[Text] Friends present here [words indistinct]. We are proud of you. We are proud of these people, this dignity. We are proud of our comrades in arms who are the members of the General Staff. It could not be otherwise, for we are defense forces constructed of dignity; not of lies or intangible matters, but of dignity. They are the Armed Forces that owe their existence to the Panamanian people. [applause, shouting]

Those who considered treason because they are traitors from birth crashed here on A Avenue. [applause, shouting]

Gentlemen, today we wish to present this message, we want to give the message of dignity, the mesage of decency, and above all, to publicly state to international public opinion, to the foreign journalists who came to watch heads and bodies rolling, that these are our banners and that this is the dignity of a people. [applause, shouting]

We wish to tell the international reporters that they should fulfill their code of ethics and tell the truth. [applause, shouting] The people here are not a tribe, and Panama is not a tribe. Here we respect the international communities of the different races that live in our country. The Americans who live in our country, who live in our apartments, who live in our houses, and who move about our streets can sleep peacefully. That is because these people are not a tribe. [applause, shouting]

International reporters should take this message. These people are healthy and proud, but not cowards. [applause, shouting]

Another message is that the people's dignity guarantees the security of its men, the security of its guests, the security of the men who founded [words indistinct] Latin America. [applause, shouting]

Gentlemen, workers, peasants, and students of the various parties and movements, we expect and trust that the new president of the Republic will be able to make the needed corrections and the Torrijist [word indistinct]. [applause, shouting] We, as Defense Forces that are respectful and constructed of another fiber, the fiber of the people, which is a source of pride; we the Defense Forces offer subordination and total support for the new president of the Republic. [applause, shouting] We also our cooperation, effort, and work to be able to get to the 1989 elections, when the one who wins the votes [words indistinct]. [applause, shouting]

We, the Armed Forces and the people, who can no longer be divided, who cannot again be betrayed, tell all men of goodwill to join this wagon that has already begun moving and that will not stop. [applause, shouting] We recommend the (?emotion), cohesion, and the necessary wisdom so that they [not further identified] will not be afraid, because they are afraid of the people when they take to the streets. [applause, shouting]

Gentlemen, companeros, brothers in the struggle, brothers in dignity, these people are in the streets, and they will never leave the streets again. [applause, shouting] I wish to invite you to go to the presidency of the Republic to promise your revolutionary and militant support for the president of the people, a president who is surrounded by you today. [applause, shouting]

Interviewed on U.S. Policy

PA270503 Mexico City XHTV Television in Spanish 0250 GMT 27 Feb 88

[Telephone interview with General Manuel Antonio Noriega, Panama Defense Forces commander in chief, from Panama City, by Amador Narcia—live or recorded]

[Text] [Narcia] Good evening, General. Thank you for taking this call. Would you please explain to me the current situation in your country?

[Noriega] Our country, Panama, located on the geographic waistline of the American continent, is the victim of economic aggression from the United States. Our nationalism and our identity are being attacked. The reason for the attacks is the nationalist principle we have maintained: that Panama is for Panamanians, just as you maintain that Mexico is for Mexicans. We uphold the principle of self-determination and believe each nation must decide its own destiny. We have had a long and poor experience with the U.S. presence in this country. There used to be courts here that followed the Louisiana legal code. A black man could be sentenced to 53 years in jail for looking at a white woman, and for stealing fruit from a mango tree you could be sentenced to 30 days in jail.

We are a country that has sought to liberate itself, and we have a treaty that will be fulfilled on 31 December 1999. That is our reality.

[Narcia] General, the charges against you in U.S. courts are extremely serious. What is your explanation?

[Noriega] That is correct. Look, I am a career officer, a professional. During General Torrijos' mandate, I was the chief of security; I cooperated with U.S. Government departments all that time. Panama contributed in the

best possible manner; it cooperated with the U.S. Government. All that professional cooperation is forgotten, because this professional refuses to kneel before the United States, and that is the reason for the indictment. This professional man, who does not submit to the colonialist dictates, is today being tried for a political situation. I have enough moral strength to maintain my dignity and my Panamanian patriotism.

If I had not said no to the intervention against another one of our Central American countries—Nicaragua—none of this would have happened. But I said no. Our country does not agree with intervention. It is a free and sovereign country, and that is the problem.

[Narcia] How do you expect to maintain your moral authority, Gen Noriega, if you have disobeyed the order given by your country's president, Eric Arturo Delvalle?

[Noriega] I am not the one who disobeyed. It was the Panamanian people, it was the Panamanian legislature...

[Narcia, interrupting] Excuse me, Gen Noriega, but the Panamanian people, through their professional organizations, labor unions, and business organizations, have expressed their discontent and have called for a strike. This could be a response...

[Noriega, interrupting] Do you know Panama?

[Narcia] I have been there, sir.

[Noriega] I repeat, do you know Panama?

[Narcia] I know the situation in your country, sir, and this situation is the one I am telling you about right now.

[Noriega] Are you in Panama?

[Narcia] No, sir. We are in Mexico City, and that is exactly why we are asking for your view. The versions from press agencies and various other media are that...

[Noriega, interrupting] That is correct. Look, Mexico, just as Panama, is a victim of disinformation. Just as the United States spreads disinformation about Panama, it also spreads disinformation about Mexico. You must know you have also been torn to shreds internationally when it behooved them. There is a policy of disinformation. There is an policy of psychological aggression against the countries that display nationalism. You were attacked, you were conquered, and you were bled white. That is the same process being applied against Panama.

[Narcia] That is your view, but can you tell me what will happen in the coming hours? What will happen if the United States decides to take a more active role in your country?

[Noriega] If they decide to attack us?

[Narcia] Yes sir, if they decide to take military action.

[Noriega] Of course, then they will find everyone dead in the country.

[Narcia] What will happen in the coming hours, sir? Panama has two presidents.

[Noriega] No, no, Panama has only one president, only one president, only one decision. That decision is that of the Panamanian parliament, and I'll tell you that we have learned from Mexico about this dignity, this ability to respond. Here they may kill us all, of course. We are not an aggressor country. We do not even have the weapons Mexico has. But we have the dignity of the men who fought with Mexico, so that is our big answer.

[Narcia] What will happen to the Panama Defense Forces, Mr General, if there are protest demonstrations, as some reports from Panama affirm? What will be the attitude of your Army toward its citizens?

[Noriega] It is obvious you are not in Panama. It is obvious you are not in Panama. [Noriega repeats himself] It is obvious you have not lived here during the last 24 hours when there has been a carnival in the streets.

[Narcia] As far as we know, there have been demonstrations of support and protest, Mr General, and, I repeat, precisely because we are not there, these are the press reports we have on hand. Therefore, I ask you, what will be the attitude of the Army if, as you say, acts of protest occur?

[Noriega] No, I have not said there will be acts of protest. You are saying that. Here there has not been any act of protest.

[Narcia] There has not been any act of protest in Panama? Does everybody agree with your decision?

[Noriega] Look, I see that Mexico is the product of the disinformation spread by the United States. I see that Mexico right now is the product of the lack of knowledge of our reality from a journalistic viewpoint. I see that Panama is a small country that is attacked mentally, attacked psychologically, and from the countries we expect respect, such as Mexico, we are sure we will receive it. We will not humiliate ourselves before the North Americans. We will not bend our knees before the colossus of colonialism.

[Narcia] Mr General, last of all, I would like to ask you, if you will permit me—what will happen in the coming hours if President Eric Arturo Delvalle decides to remain in Panama? Will you take any action against him?

[Noriega] That is not an action on my part. That is an action of the people.

[Narcia] Do you think that action could occur, Mr General?

[Noriega] Our people have great dignity. Our people fought in 1964 when they were attacked by the United States, and 23 students, men, women, and children, were killed and 13 U.S. citizens were killed.

[Narcia] But 24 hours, 24 years [as heard] later, Mr General, what will happen, what will happen to President Eric Arturo Delvalle, who, according to reports available to us, is still in Panamanian territory? What will happen to the president designate? What will happen to the institutions? Have you considered the possibility of assuming power?

[Noriega] Look, the people's power, which is the Legislative Assembly, decided that the president of the Republic is Dr Manuel Solis Palma. He is the president of the Republic and the other gentleman is no longer president.

[Narcia] Mr Gen Noriega, thank you for having the courtesy of accepting this call. I thank you for having been on our program.

[Noriega] Can I add something to conclude?

[Narcia] Yes, General.

[Noriega] Will you permit me?

[Narcia] Yes, General, go ahead.

[Noriega] I would like for there not to be disinformation about Panama. I appreciate the fact that the Mexican people believe Panama is a weak country, with only 2 million inhabitants, but with a great patriotic dignity, with nationalism, as yours, with an aggression and presence of a foreign army in our territory, as you had. We appreciate your help. That is what I ask of the Mexican society, for Panama, and for Latin America.

[Narcia] General, what will happen to the U.S. soldiers? Will they leave?

[Noriega] They will live here happily because we are not an African tribe that massacres people. Here all foreigners live happily.

[Narcia] You will not ask them to leave or undertake any action?

[Noriega] We are human and we respect human beings.

Discusses 'CIA Plan'

PA282012 Madrid EFE in Spanish 1901 GMT 28 Feb 88

[Text] Madrid, 28 Feb (EFE)—EL INDEPENDIENTE, a Madrid weekly newspaper, states that General Manuel Antonio Noriega believes the United States wants to control and threaten "all of Latin America" from Panama.

In an interview published today, the commander in chief of the Panamanian Defense Forces accused the CIA of wanting to destabilize the Panamanian regime by strangling the country's economy and causing social protests that will unleash a confrontation within the Army's core.

According to Noriega, the CIA plan, called "the Panama menu," is aimed at "destabilizing us by damaging our economy and economically strangling Panama. This will, in turn, lead to social despair and, later, a clash among the Defense Forces."

The interview with Noriega was held hours before President Eric Arturo Delvalle removed Gen Noriega from his office of commander in chief of the Defense Forces. Shortly thereafter, Delvalle was ousted by the Legislative Assembly and Solis Palma was appointed to replace him.

In his statements for EL INDEPENDIENTE, Noriega accused the United States of believing that Panama is still subject to "Louisiana Laws" (as was the case when the country was occupied by U.S. troops). Gen Noriega said "they are preparing to return with a great invasion to organize a quote, democratic government, unquote, that will be faithful to their interests."

The Panamanian soldier believes the U.S. charges against him began after he reminded the United States that the Torrijos-Carter Treaties, signed in 1977 and which state that the U.S. troops will leave the Canal Zone on the last day of 1999, will be respected.

Noriega continued to say that the tension with the Reagan administration heightened when he refused to let Panama be used as a training base for the "contras" and added that the United States "wanted to use our Defense Forces as a spearhead" to invade Nicaragua.

Gen Noriega does not think the United States will invade his country "because the friendly nations have their commitments." However, he added, if they do invade "we have our people and our Army."

According to Noriega, his country's regime is not "militaristic" because "when Torrijos took over power in 1968 Panama was hurting and the coup d'etat was something the people were asking for."

After stating that there are times when "one must decide whether he should tell the truth or remain forever silent," and that his truth is "a Latin American truth," the Panamanian soldier concluded by saying that now "we want to choose our friends and our enemies." (endall) 281901 shpa2802.25e hmb/herin/eb 28/2020z feb

Delvalle on Reasons for Dismissing Noriega

PA261620 Bogota Emisoras Caracol Network in Spanish 1312 GMT 26 Feb 88

[Interview with President Eric Arturo Delvalle by unidentified reporters; place and date not given—live or recorded]

[Text] [Reporter] Mr President, what prompted you to dismiss General Manuel Antonio Noriega?

[Delvalle] The chief reason was that (?because of) that person the country has been suffering from an economic disaster for months. In addition, the friendly countries in the region have withdrawn all sorts of economic and military support for Panama. They have imposed sanctions. They have withdrawn the possibility of exporting Panamanian products to the United States. Recently, a Florida grand jury indicted Noriega for his ties to drug trafficking and money laundering. Worst yet, a trade embargo looms in the future. This will put over 15,000 Panamanian families out in the cold. There will be no jobs because we cannot export our products to the United States. All of this happens because the United States, as a friendly and neighboring country as well as a partner in the Panama Canal, wanted Panama to return to the democratic world after 18 years. The United States hopes that its [word indistinct] friends share in it.

[Reporter] That is clear, Mr President. We understand what prompted you to dismiss Gen Noriega from his job. However, this is what surprises us. How did you dare make this decision without having the support of the military, considering you were fully aware that your decision would cost you your job?

[Delvalle] We simply cannot wait to make this sort of decision. This decision was made from deep inside me. It has to do with doing the right thing. This decision was not discussed or planned, as you can see for yourself. Plainly, the president of the Republic is empowered to dismiss someone. At no time did I try to distort or change in any way the make-up of the Panamanian Defense Forces [FDP]. The only member of the General Staff who was to be replaced was Gen Noriega. He refused and convinced his comrades in arms to support him. He is trying to stay and continue to exert his power and influence over the Panamanian people.

[Reporter] When you decided to remove Gen Noriega from his job, did you know you were running the risk of your decision not being respected?

[Delvalle] Indeed. I understood that perfectly.

[Reporter] Mr President, did you [word indistinct] or suspect that they [not further identified] were going to remove you?

[Delvalle] I suspected that. That possibility was there.

[Reporter] So, you did not have any fears or qualms when you decided to remove Noriega from his job, even though this may cost you your position as president of the Republic?

[Delvalle] Indeed. I believe that no president in the Americas who truly wants to respect himself and be respected by his people should make a decision based on whether or not he is likely to have the [military's] support or on their prior support. Actions must be taken when necessary. If he [Gen Noriega] is indeed an obstacle to democracy in Panama, I must make that decision even if it costs me my job.

[Reporter] President Delvalle, you have stated that Gen Noriega is a destabilizing factor in Panamanian politics and for that reason you decided to separate him from the military. Do you personally believe the drug trafficking charges against Gen Noriega are true?

[Delvalle] No, on the contrary. I hope he is not guilty of those charges. However, I have no doubt that to have impartial investigations both in the United States and Panama the commander in chief must be separated from his post. I suggested that to him two or three times before I made this decision. I asked him to withdraw from his post voluntarily.

[Reporter] Mr President, one of the things that has been mentioned during this Panamanian crisis is the danger of some kind of U.S. intervention in Panama. I would like to hear your views on this?

[Delvalle] The risk exists, because the Torrijos-Carter Treaties contain a clause allowing the United States to enter Panama if there is a large disturbance.

The Panamanian opposition rejects an armed confrontation. We know very well that all weapons are in the hands of the FDP. The opposition represents a peaceful resistance. It is a resistance to militarism and military regimes. We do not believe U.S. intervention will be necessary at all. In addition, I would never request such an action from the U.S. Government.

[Reporter] Mr President, what did Gen Noriega tell you when you asked him on three different occasions to withdraw from his post in order to clarify his situation and improve Panama's political situation.

[Delvalle] What did he tell me?

[Reporter] Yes.

[Delvalle] He told me that such an action diminished his strength to face the accusations. He told me he wanted to remain in his post after the 1989 elections.

As long as Gen Noriega occupies that post those elections would be a farce, because his presence would misrepresent the election results. I also believe that with his request, Gen Noriega wants to [words indistinct] the FDP, distort the 1989 election results, and continue in his post for another 5 years [words indistinct].

[Reporter] Mr President, you said you suspected that what has happened to you now would happen. Do you also fear for your personal safety?

[Delvalle] No, no. I do not fear for my safety.

[Reporter] But where are you now Mr President? Why did you go to the Canal Zone instead of staying in your office?

[Delvalle] Pardon me?

[Reporter] Why did you go to the Canal Zone instead of staying in your office?

[Delvalle] No, no. I never went to the Canal Zone. After I delivered my television message, I went home to meet with my personal and political friends.

[Reporter] Mr President, what will you do with your life now. You know that the Panamanian National Assembly appointed—according to you in an abusive and unconstitutional manner—your successor? What will you do Mr President?

[Delvalle] I will file a suit on the constitutionality of yesterday's events. [Words indistinct] tomorrow. I will stay here in Panama to await the verdict of the Panamanian people. Many people say weapons are in the hands of some 1,000 men. However, 2,200,000 Panamanians will not wait patiently for this gentleman to gain control of the country.

[Reporter] In all democratic countries, the president heads the military, and the military only [words indistinct] Gen Noriega, because when you appointed Colonel Justines he said that the one who was leaving is the president. All the other high-ranking officers of the FDP withdrew their support for you—if you ever had it—and they said the commander is Gen Noriega. Why is there so much support for Noriega?

[Delvalle] That is a very good question, because (?this) has shown there is something else in the FDP that not all of us had understood. It was thought that only Gen Noriega was involved in illegal operations and illicit enrichment. However, their decision to unite so firmly shows two things. First, it shows that almost all of them should have retired a long time ago. Instead of retiring and making way for younger officers, they have remained in the FDP and on the General Staff to enjoy the benefits [words indistinct].

[Reporter] [Words indistinct] the Panamanian Presidency. During these 2 years, did you govern with the direct influence of Gen Noriega, or were you able to govern with independence?

[Delvalle] For 2 years and 5 months as president, I governed with the interference of Gen Noriega and the FDP.

[Reporter] How was that interference expressed?

[Delvalle] In distorting all the work of the executive, in influencing the decisions of the ministers, even in influencing the decisions of the majority party in the government alliance. It was also expressed by influencing the selection of ministers through control of the lists from which I was to choose. The Panamanian president does not have the authority to choose the minister he deems most advisable for any ministry. Instead, the appointment has to be made from a list chosen by the majority party, which in turn is drawn up in FDP headquarters.

[Reporter] But listen, Mr President. That situation is not a new one for Panama. It did not only happen to you. You know you became president because Gen Noriega overthrew Nicolas Ardito Barletta [words indistinct]. It was obvious you knew what you would face. You reached power through Noriega's intervention. How did you [words indistinct]

[Delvalle] Well, as first vice president, I had to take over the Presidency. In talks with Gen Noriega, he was always receptive to having the president act freely with the political parties, and he said that what the FDP was interested in was national stability and security and that those were the functions [words indistinct]. However, the reality was very different. As I said earlier, all the appointments and even the (?main) decisions were influenced by the opinions of the General Staff.

[Reporter]) When was the last time you spoke with Gen Noriega?

[Delvalle] I spoke with him two or three times yesterday.

[Reporter] Yesterday, [words indistinct]?

[Delvalle] That I continued to be extremely worried about his lack of action, his delay in finding a solution to the problem—to the Panamanian situation, which involves all fields of national life and which basically depended on Noriega's departure.

[Reporter] However, you told Gen Noriega that you had decided to dismiss him?

[Delvalle] No, I called him prior to airing my television message, but was unable to reach him. I was only able to talk with Colonel Justines, who knew about my decision and who had expressed concern from the beginning, when I informed him I was planning to appoint him head of the institution.

[Reporter] But if you talked three times [words indistinct] Gen Noriega, you were already thinking about making this decision to dismiss him.

[Delvalle] That is true, but we tried to stop the other action [not further identified] which I asked him to take 2 and 1/2 weeks ago. I asked him to step down.

[Reporter] Yes, Mr President, but if you had made up your mind, why didn't you tell him: I am going to dismiss you?

[Delvalle] Simply because if I'd done that so early that day, I would not have appeared on television. Hours after I had finished talking, the television station from which I gave my message was closed. The only opposition newspaper still in operation was closed down. Two opposition newspapers and three radio stations had already been closed. There is no kind of [words indistinct] freedom, so I could not announce what I was going to do so far in advance.

[Reporter] Could we say that after you made the decision you made yesterday because of the events you mentioned, that is the closing of the media [words indistinct] a sort of coup d'etat [words indistinct] regardless of the decision you made yesterday regarding Gen Noriega?

[Delvalle] One thing I can guarantee is that in the past 2 weeks Gen Noriega, seeking some kind of solution to win over the national public, made two attempts to find out if Vice President Esquivel would accept the Presidency of the Republic in the event that I was separated from my post so that he, Gen Noriega, could stay [in office] until after the 1989. I also know that Noriega carried out negotiations so Arnulfo Arias Madrid, the candidate who lost the 1984 elections, would accept the Presidency of the Republic under the same conditions based on an alleged vote recount. As we all know, the 1984 elections (?were won) by a slight margin of 1,713 votes, however, a way would be sought to nullify these votes and change them so Arias would get the Presidency. This maneuver had already been done once in our country's history.

[Reporter] Mr President, I will tell you a story that happened yesterday, here at the Colombia's Caracol Radio and Television Network regarding the Panamanian crisis so that you can clear up a question we have. The Caracol correspondent in Panama called in the morning and told us that a [words indistinct] was imminent [words indistinct]. He added that if we needed to contact him we could find him at the Presidency of the Republic because your resignation, your withdrawal, seemed imminent. However, what happened was just the opposite. It was you who made the decision to dismiss Noriega when the rumor in the morning had been that you were the one who was going to ousted.

[Delvalle] I do not know where your representative here in Panama got that information. [words indistinct] govern this country, I would step down. I took the step that any democratic president who wants to fulfill his duty and comply with his people's wishes would take. I dismissed Gen Noriega as permitted by the Constitution. Noriega is the cause of the problems that the nation is experiencing.

[Reporter] Mr President, during the last few days of the crisis, has Gen Noriega on any occasion asked you to resign or threatened to dismiss you if you maintained your position of asking him to leave the Defense Forces?

[Delvalle] No, at no time did he do that. I want to be frank, on the occasions I asked him to voluntarily resign, he was very courteous and at no time did we have any type of disagreement or argument [words indistinct] to intend to remove him from his post.

[Reporter] However, we had the impression Mr President [words indistinct] that for several days. Some people interceded so that would not happen, but the decision to remove you from power had already been made by Gen Noriega.

[Delvalle] Well, that information [words indistinct] in fact, he was working on [words indistinct] for foreign and domestic public opinion.

Would you and the Colombian people please excuse me, I have another telephone call from England, which will be on the air right now so I will have to leave you for now.

[Reporter] Thank you very much Mr President, but I have one last question. What kind of person is your successor, because we understand he was the education minister in your own cabinet. What kind of person is he?

[Delvalle] The education minister has been a politician for many years in our country. He has been a member of leftist, [word indistinct], and rightist political parties. To sum it up I consider him a political opportunist.

[Reporter] Mr President, we are very thankful. We wish the best for Panama. Thank you very much.

[Delvalle] Thank you.

People's Party Condemns Actions

PA261618 Panama City CRITICA in Spanish 26 Feb 88 p 2

[Communique issued by the People's Party in Panama City, on 25 February]

[Text] Yesterday afternoon President Delvalle addressed the nation, and following a reasoning similar to that of the Democratic Opposition Alliance (ADO), the Civic Crusade, and imperialism, he announced his decision to dismiss General Noriega as commander in chief of the Defense Forces, and appoint Colonel Justines to replace [Gen Noriega].

We report to the Panamanian people that with this action the president has openly put himself at the service of Yankee imperialism which has conspired since June 1987 to remove the Torrijist directorate from the FDP and then establish a government that, following the desire of Reagan and his warmongering gang, would thwart our national independence achieved in part because of the Torrijos-Carter Treaties, and would thus continue the military occupation of our territory beyond the year 2,000.

By dismissing the FDP commander, Mr Delvalle has yielded to the U.S. aggression against our country, which has been intensified in the past few days. He has given up the defense of the Fatherland's integrity, the social and national achievements accomplished by General Torrijos, and has surrendered to the Yankee Imperialism's desire to conquer and repress. Mr Delvalle's defection is worsened by his submission to the IMF and World Bank demands as demonstrated by the economic measures proposed by his government, such as firing thousands of employees, withholding two of the 13th month payments, increasing taxes, etc.

In view of such an attack by Delvalle against our fatherland— an attack that is against the people's desire and that puts Delvalle on the side of the antinational forces and the U.S. imperialists who intend to continue oppressing us—the People's Party condemns and rejects Delvalle's action and calls the masses to halt the submissive oligarchy and to reject the Yankee imperialism aggression.

We reiterate our proposal to immediately organize a NATIONAL FRONT [uppercase as published] gathering the various forces, and based on a consensus plan to immediately reject the Yankee aggression and defeat the oligarchy.

PEOPLE'S PARTY [uppercase as published]

Panama, 25 February 1988.

CONATO Rejects Decision

PA261820 Panama City CRITICA in Spanish 26 Feb 88 p 8

[Communique issued by the National Council of Organized Workers, CONATO; date and place not given]

[Text] Aware of our country's current situation as a result of recent developments, the organizations that make up CONATO—CTRP [Confederation of Workers of the Republic of Panama], CNTP [National Federation of Panamanian Workers], Suntracs [Single National Union of Construction and Related Workers], General Workers Confederation [Central General de Trabajadores], Trade Union Federation [Federacion Sindical], FETICOM [expansion unknown], Journalists' Union of Panama, and Union of Chiriqui Land Company Workers—state their position:

1. There is absolutely no doubt that President Eric Arturo Delvalle's message, which concluded with the alleged removal of General Manuel Antonio Noriega as commander of the Panama Defense Forces (FDP), is full of the arguments that sectors of our country's obstinate and pro-imperialist opposition have been using for over 2 years. At the same time, those sectors have been reproducing all the statements that pro-imperialist U.S. Government circles have been using against our country in their attempt to mislead the national and international public, in order to continue deriving economic benefits from the Panama Canal beyond the year 2000.

In that sense, from being the first citizen of the Republic of Panama, President Delvalle has become a vile messenger of our country's most reactionary circles and of the U.S. Government.

Consequently, CONATO firmly rejects Delvalle's request and intentions. CONATO feels that he is not entitled by law or by the Constitution to make such a decision; much less when it was lightheartedly announced on television.

2. CONATO expresses its support for the Panamanian Constitution and laws and believes that any changes and internal reorganization within the Panamanian Government should take place within the normal channels established by the Constitution of the Republic of Panama. At no time should those changes occur under the influence of imperialist pretensions and actions carried out by its local lackeys, regardless of the position they may be occupying.

This is CONATO's message for the working class. In addition, we urge workers to remain in a state of total alert to go out and take over the streets in support of our national sovereignty, Constitution, and laws, and in support of our right as independent people to decide our own destiny according to our laws and Constitution.

Businessmen Call for General Strike 29 Feb

Chamber of Commerce Urges Strike

PA271845 Panama City Circuito RPC Television in Spanish 1754 GMT 27 Feb 88

[Excerpt] [Passage omitted] Meanwhile, in view of the closing of its offices, the Chamber of Commerce urges its members and citizens to heed the strike called by CONEP [National Council of Private Enterprise] and remain on strike until further notice. This businessmen's organization recommends to all its members to take the measures they deem advisable so their workers can receive their salaries and go home, aware of their responsibility as citizens in view of the country's current situation.

Industrialists Support Decision

PA262126 San Jose Radio Impacto in Spanish 1830 GMT 26 Feb 88

[Report by correspondent Homero Londono from Panama—recorded telephone relay]

[Excerpt] [Passage omitted] In a communique issued this Friday afternoon, the Panamanian Chamber of Construction stated that the president of the Republic, in employing his legal and constitutional powers, dismissed the head of the Panama Defense Forces [FDP] due to the grave accusations at the national and international level against this officer. The communique adds that in light of the decision made by the executive branch, the FDP decided not to abide by the presidential order.

In addition, in an act that is completely unconstitutional, a group of legislators who support the regime dismissed the president and vice president of the Republic and instead established a de facto government that responds to sectarian interests. It [the chamber] says that the de facto actions taken by the FDP and the civilians who support the military regime violate the nation's constitutional order, and further aggravate the difficult social, political, economic, and fiscal situation the country is experiencing.

In view of this, it resolves to support President Eric Arturo Delvalle's decision to repudiate the violation of the Constitution by the FDP and the civilians who sympathize with the regime, to back the national stoppage announced by the CONEP, to denounce the incidents that have taken place, to support every action necessary to restore constitutional order in our country, and to remain in permanent session to periodically assess the nation's grave situation.

This was issued in Panama City on 26 February 1988.

In addition, we learned that the Panamanian Industrialists Union [SIP] is urging all enterprises and industries in the Republic of Panama to join the stoppage, and that these businessmen and industrialists are joining it immediately. Therefore, the great national strike for an indefinite period is already underway. This strike is promoted by the Chamber of Commerce, CONEP, and SIP, as well as by the civic groups.

The University of Panama, the Technological University, and the Santa Maria La Antigua University are closed. Riot police are surrounding the University of Panama and the Technological University.

Let us now listen to Hector Guillermo Fernandez, president of the Association of Panamanian Exporters, who told us about the country's situation:

[Begin recording] [Fernandez] I want to tell you that the first step we have taken is to have met to analyze the situation, which is definitely grave and chaotic. Economically, these months of misgovernment and military government have been chaotic for Panama. We are analyzing the possibility of a strike right now. Several CONEP member groups have already decided to go on a general strike. We are now waiting for other organizations that are holding meetings right now to make a similar decision. The SIP already decided to proceed with a total and indefinite strike.

[Londono] When will this strike go into effect?

[Fernandez] As of right now. It is going to take effect right now. [end recording] [passage omitted]

SIP Expresses Support

PA271502 Panama City LA ESTRELLA DE PANAMA in Spanish 27 Feb 88 pp 1a, 12a

[Communique issued by the Association of Panamanian Industrialists, SIP on 26 February; place not given]

[Text] The Association of Panamanian Industrialists (SIP) hereby states to the Panamanian people and all nations of the world that it firmly supports yesterday's dismissal of General Noriega from his post as commander of the Panama Defense Forces [FDP] by President of the Republic Eric Arturo Delvalle as an initial step to solve the nation's current political crisis and for the country's democratization.

Likewise, we reject that this decision was not respected by the FDP. This constitutes a new coup d'etat that worsens our economic and social crisis.

Therefore, SIP urges all its members to suspend activities until further notice to support the nationwide strike declared by CONEP in order to repudiate and reject the lack of respect for the president's decision and the subsequent events of 25 February. Likewise, we urge citizens to actively participate in the nationwide sitdown strike so those who are oppressing us and all

nations of the world will know that the Panamanian people are determined to live in liberty with democracy and justice. Signed, SIP Board of Directors.

Mayin Correa Urges Cooperation

PA262043 San Jose Radio Impacto in Spanish 1858 GMT 26 Feb 88

[Telephone statement by legislator Mayin Correa from the United States; live or recorded—broadcast in progress]

[Text] ...during all these months. They should be calm but alert. They should remain in their homes and support the decision of the National Civic Crusade to carry out an indefinite strike until the Mafia forces depart our country peacefully. We hope those forces will not lead our country to a totalitarian dictatorship because of the dictator's desperation and the isolation he will experience due to international democratic forces.

Panamanians must be calm and at peace with our church and families in our homes. Instead of answering the provocations of Noriega's paramilitary forces, communists, and accomplices, they should meditate, remain alert, and do nothing, thereby paralyzing the nation so that Noriega and his accomplices have no one and nothing to govern.

The National Civic Crusade has called for this indefinite strike. During this difficult time, all Panamanians should paralyze the country until authentic democratic steps are carried out. These steps will have to be taken because the Panamanian people are democratic, Christian, and wish to live in peace and with freedom. The Panamanian people have always believed in God, who has supported us so fully over these past few months.

I will continue to maintain contact with the Panamanian people. Today, demonstrations in front of different consulates and embassies are being organized to send messages of solidarity to the people who are fighting. These are also messages condemning the dictatorship and its accomplices.

We are receiving international support, and with the solidarity of the free world and the decent forces in Panama, I am certain we will come out ahead.

I send fraternal greetings from here in the United States to all listeners of Radio Impacto, especially all Panamanian listeners, who will continue to support the National Civic Crusade and all the nation's democratic forces. Have a good day, and I will talk to you later, when I will be with you again, from the United States. This was Mayin Correa speaking to you.

Opposition Says Strike Positive

PA282130 Panama City ACAN in Spanish 1911 GMT 28 Feb 88

[Text] Panama City, 28 Feb (ACAN-EFE)—Opposition sources today said the call for a strike for an indefinite period beginning tomorrow to "force the resignation of the chief of the Panama Defense Forces [FDP]" will have "positive" effects in the industrial and construction sectors.

Roberto Brenes, member of the Civic Crusade—the opposition coordinating organization that has been demanding the resignation of General Noriega since June—said at a news conference that tomorrow, the 1st day of the strike, 90 percent of the industrial and construction sectors will close. He added that 40-50 percent of commerce will close, but as the day passes, participation in the strike will increase.

Regarding the bank sector, Brenes said, without giving figures, that several banks will join the strike while others will open although many employees will not go to work, thus forcing the banks to close.

The opposition leader admitted that two problem areas the strike call will face are in the collective transportation sector—which, although private, has unions controlled by the government—and the small businessmen.

The Panamanian businessmen, comprised by the CONEP and SIP, have expressed solidarity with ousted Panamanian President Eric Arturo Delvalle's decision to remove Gen Noriega as FDP commander, a decision that led to Delvalle's removal by the legislature.

Former President Delvalle said "the entire country will be paralyzed" beginning Monday, and even though there are no means to make known the call for a strike because of the closure of the opposition media, "all Panamanians will hear about it by word of mouth."

CONEP comprises 20 business organizations, SIP is comprised of 200 industries.

The labor organizations have decided not to support the national strike and instead have expressed their support for the regime headed by Presidency Minister Manuel Solis Palma, who was appointed to replace Delvalle.

Jose Manuel Meneses, spokesman of the National Council of Organized Workers (CONATO), said, "We cannot support a management strike that responds to other interests."

In view of the call for a strike, Colonel Leonidas Macias, chief of the police forces, said no special operation will be established, but he said that in view of possible pressures to close, security will be provided to all those stores and businesses that want to open.

Nevertheless, Macias said his forces will not be able to control whatever is done by the people who are unable to make purchases because of the possible closing of stores by the strike.

Arias Supports Strike

PA282333 San Jose Radio Impacto in Spanish 2252 GMT 28 Feb 88

[Statement by Ricardo Arias Calderon, president of Panama's Christian Democratic Party, from Miami; date not given—recorded]

[Text] On 25 February, I was forced to continue travel from my country to San Jose because the military authorities did not allow me to enter Panama. After I spent 2 days in San Jose, I have come to Miami to resolve problems of the new family situation I am in. I met here with Dr Arnulfo Arias Madrid, three times Panamanian president and the man who was the presidential candidate of the democratic opposition in 1984. I also met with Carlos Rodriguez, a member, as Arias Madrid, of the Authentic Panamenist Party, who was the vice presidential candidate. Together, we issued a message to the Panamanian people, which I would like to send to Radio Impacto, realizing that it is one of the few media Panamanians are listening to to get objective information. The message we signed is the following. I will read it quickly now. It states:

Our fatherland has fallen in the hands of a drug-military power. The top duty all Panamanians have, in total unity of action, is to save Panama from this criminal power. We firmly support the national will to separate the current commander in chief from his post, because the public force should be subordinate to a civilian authority in line with the Constitution.

We issue an urgent call to the Panamanian people to support the strike beginning tomorrow and any other measure of civil disobedience to achieve this separation, a first step in a great change for democracy. We demand the clear and effective solidarity of all the democratic peoples and governments in favor of our people's struggle for liberty, justice, and democracy. We thank those who have already shown this solidarity.

Signed: Arnulfo Arias Madrid, Carlos Rodriguez, and Ricardo Arias Calderon.

This is a message we are trying to convey to the Panamanian people from Miami.

Labor Unions Oppose Strike

PA281900 Panama City Domestic Service in Spanish 1730 GMT 28 Feb 88

[Text] Leaders of several Panamanian labor unions have withdrawn from the strike scheduled for tomorrow, Monday, by the Panamanian Chamber of Commerce, Industries, and Agriculture, and the Union of Panamanian Industrialists.

Virgilio Castro, secretary general of the National Union of Employees of Companies Distributing Autos, Appliances, Spare Parts, and Related Items, said the strike called by the opposition Civic Crusade is a trick against workers, because when CONATO [National Council of Organized Workers] goes on strike, the private businesses oppose the Panamanian laborers. Castro added that if the management sectors call the strike, it hurts the working classes. He also expressed support of Manuel Solis Palma, the minister in charge of the Presidency, because he will change Delvalle's IMF policies. Castro reiterated his rejection of the management strike, and suggested that workers go to work, lest Article 213 be used against them by their employers.

Meanwhile, Carlos Casis, defense secretary of the Union of Pharmacy Employees [Sindicato de Empleados de Farmacia] totally rejected the strike and added that pharmacy sector employees would go to their work places even if they are closed because pharmacy management has been known to hire personnel to dismiss workers.

Other labor groups have also expressed their rejection of tomorrow's strike because it is an imperialist strike, directed and organized by the United States. They said that to support the strike would be to support IMF measures, and the workers are opposed to the U.S. plan to remain in Panama.

Finally, the labor sector said this strike shows a lack of respect for Panamanian nationality because the situation in the country has been caused by the United States to prevent the Panamanian people from becoming aware of the responsibility they will have when they take over the Panama Canal.

Strike Condemned

PA281959 Panama City Domestic Service in Spanish 1829 GMT 28 Feb 88

[Communique issued by the National Union of Small Enterprises on 27 February; place not given]

[Text] Whereas:

1. Business forces of the country are calling its members to a national strike;

2. Those political-business forces are the ones that have plunged the country into political, economic, and social chaos that they seek to worsen at the cost of the Panamanian people's blood;

3. Throughout its existence, big private business has hindered the national development of small enterprises;

4. That strike seeks to once and for all destroy the country's economy and the government's democratic stability;

Resolves:

1. The National Union of Small Enterprises, SINAPE, a business organization that has nine regional chapters and is composed of small merchants, producers, transporters, craftsmen, and service providers, supports the constitutional measures adopted by the Legislative Assembly.

2. It totally supports Panama's constitutional president, Manuel Solis Palma, and Commander Manuel Antonio Noriega in their nationalist and patriotic struggle.

3. It condemns the servile and unpatriotic attitude of Mr Eric Arturo Delvalle, an active member of big business, which has always hurt the interests of small enterprises.

4. It condemns, rejects, and says no to the strike because the leaders and members of the Chamber of Commerce, aware that small enterprise is the productive sector that really generates low-cost employment, have been blocking necessary financial support, which prevents the creation of jobs for the poor in the countryside, the urban areas, and Indian areas where large enterprises are unable to achieve their objectives. In view of this behavior by big business, which has always benefited from state funds, to the detriment of the small enteprise, SINAPE issues a call to all small- and medium-size businessmen, craftsmen, and the informal sector of the economy to reject the strike. Small businessmen are consumers of national products. They are nationalist and patriotic. The small businessmen do not have long-term [bank] accounts in any country, much less in Miami. The small businessmen are Panamanians by birth. The small businessmen have a country, and that country is Panama. We are Panamanians.

Signed: Eladio Richard for San Blas; Gilberto Garrido for Los Santos Province; Alicia Perez for Herrera Province; Mario Echeverria for Darien Province; Froilan Gormeches for Colon Province; Manuel Perez for Panama Province; Maria Saenz for San Miguelito District; Olmedo Arcelio Munoz for Veraguas Province; Francisco Rodriguez for Chiriqui Province

Businesses Threatened

PA271618 Panama City CRITICA in Spanish 27 Feb 88

[From the "Scoops" column]

[Text] San Miguelito leader Virgilio Perinan said that to defend the revolution and the interests of the people, Panamanians should put into practice the slogan: "A business that closes is a business that is taken over." This way the CACO [referring to the Panamanian Chamber of Commerce, Industries, and Agriculture] conspirators will know what to expect if they try to destabilize the country through their usual business strikes.

Daily Publishes 'Warning' to Ambassador Davis

PA271636 Panama City CRITICA in Spanish 27 Feb 88 pp 1, 27

[Unattributed article: "Davis Get Your Hands Off Panama"]

[Text] The San Miguelito Human Rights Committee has sent a message to U.S. Ambassador to Panama Arthur Davis through CRITICA. The message is a warning, because of his intervention in our country's internal affairs.

The committee warns Davis to "get your hands off Panama. You continue conducting political activities in our country, as you have done since you were ambassador to Paraguay, where General Stroessner did not let you conduct those activities."

Solis Palma on Current Political Situation

PA261920 Panama City Domestic Service in Spanish 1740 GMT 26 Feb 88

[Report by Joaquin Maizon on statement by Manuel Solis Palma, minister in charge of the Presidency, on 26 February, place not given—recorded]

[Text] After delivering a brief message and greetings to his fellow workers in the Education Ministry, former Education Minister Manuel Solis Palma, now minister in charge of the Presidency, promised to promote and support programs to strengthen education in our country.

Solis Palma was approached by some journalists in his position as president of the Republic. Asked about the government's situation, he said that today at 1700 he will meet with all the National Executive Councils of the political parties supporting the government, and that tomorrow he will meet with other political leaders.

Regarding the current national political situation, Solis Palma said:

[Begin recording] [Solis, in progress]... the composition of the government will largely depend on what we consider our goals.

[Reporter] Mr President, do you expect to consolidate the nation's [word indistinct]?

[Solis] I would not have accepted the post if that were not the goal.

[Reporter] Do you consider this a challenge?

[Solis] I see this as a challenge and I am willing to meet that challenge, always bearing in mind what benefits the Panamanian nation.

[Reporter] What would be your message to the U.S. Government?

[Solis] I think the best message I can send is to understand and accept once and for all that our position as a free, independent, sovereign nation is to demand respect for our [word indistinct] condition. In that sense, to the extent that they respect us, there will be more possibilities for a frank dialogue to resolve [word indistinct]. However, if they maintain their attitude of trying to subordinate us to their interests, we will have confrontations, which we (?would regret).

[Reporter] [Words indistinct] what persons will take part in the government?

[Solis] That will depend on the talks we will have with the various political groups supporting the current government. I do not want to act independently, I want everything to ... [changes thought] I believe in coordination with the political groups. I believe in coordination with the country's various sectors; in an open and frank dialogue and in adopting joint decisions. I believe that our responsibility is also the responsibility of all the Panamanian people and of all sectors and that therefore, they should contribute to finding solutions. I do not want to make any decision regarding appointments without fully consulting with them.

[Reporter] As education minister for over 3 years, and now as president of the Republic, what would be your message to the educational sector now that you have the responsibility of leading the nation [words indistinct]?

[Solis] My message to the nation as education minister is the same one I send today as president of the Republic: I ask all sectors involved in education to assume greater responsibility in order to rescue our education from its current critical state. In that necessary effort, I will cooperate with the Education Ministry, with the minister, and with other authorities in order to overcome the current crisis. [end recording]

Gives Interview on Transition

LD270126 Madrid Domestic Service in Spanish 2200 GMT 26 Feb 88

[Interview with Manuel Solis Palma, the "new" president, by correspondent Angel Franco; date, place not given]

[Text] The new president of the Republic of Panama who was today appointed by the parliament—half the parliament, meaning 38 out of 67 of its members—is Manuel Solis. These are his first, exclusive statements made to our colleague Angel Franco a few moments ago.

[Begin recording] [Solis] Good evening. This is the president of Panama, Manuel Solis Palma, speaking.

[Franco] You became president of the Republic of Panama under very special circumstances. How are you coping with these moments of crisis?

[Solis] That is so. Individually, naturally, I should tell you that one is faced with the pressure produced by the enormous responsibility that one is assuming. However, at the same time I must make it quite clear that I assume this responsibility because I believe it is the duty of any Panamanian to search for a solution to the criticial times our Republic is experiencing. If I was chosen by the cabinet to maintain constitutional continuity and to seek a peaceful solution to our situation, I then believe it is my responsibility to do this. I have all at times accepted this while being fully conscious of the role history is giving me at a particular time.

As for the Panamanian people, I can tell you that domestically, the reaction of the popular sectors and that inside the Republic is one of absolute support. Hundreds of Panamanians were demonstrating here during the day, and this afternoon about 2,000 or 3,000 Panamanians stood outside the Presidency to support General Noriega and the decision to name me as minister in charge of the presidency.

[Franco] Under these circumstances, and faced with the U.S. pressure, do you fear Panama could be internationally isolated?

[Solis] Well, to a large extent that has already been happening. What is happening is that precisely that pressure, that isolation, that [word indistinct] has created difficult economic conditions for the nation, especially rather difficult financial and fiscal conditions. This has led sectors of the government itself to approach the problem of a solution on the basis of surrender to these requests, the demands of the United States. That is where part of the Panamanian family parts and where it is not possible to agree that the only solution is based on our surrendering our status as a sovereign nation, one able to decide matters for ourselves. That, naturally, for example, is what has led to the most recent events. It is simply a confrontation between two different points of view within the government itself. A majority sector of this government supported the stand that has now brought me here as head of the Panamanian Government. The other policy was that which proposed the other solution.

[Franco] Do you fear forcible U.S. intervention?

[Solis] Well, we believe that that must not, or will not, take place. This is because should it happen, it would be deplorable proof, it would be the enslavement of a small country by a powerful nation. It would prove that their interests override any principles that they may claim to be defending at the time.

[Franco] Former President Delvalle has made an appeal for a general strike on Monday and has additionally requested the United States to impose economic reprisals. What solutions do you see to the present situation?

[Solis] Of course it is difficult for us to believe that U.S. economic reprisals can become any more severe than what has already been applied. As for the appeal for a strike, we would see exactly how we are going to face that situation within the means at the state's disposal without subjugating ourselves in any manner. However, there is no difference with regard to the government's view of how to move the nation toward a state with respect for public freedoms, a state the recognizes individual rights, respect for the individual, one with the free play of ideas, and with free and democratic elections taking place in the period of...[changes thought] in 1989, nearly a year, it's hardly a year away, when the elections will take place.

We are absolutely certain—and we guarantee totally free, honest elections—that they would be able to remove any political bitterness and any type of disquiet that may have come about in the country.

[Franco] Will the Panama Canal become Panamanian again in 1999?

[Solis] That is the wish and the right of the Panamanian people. It is what we are fighting for; that is precisely because we believe it is our basic goal, because it is our greatest asset, the sacred right we Panamanians have and for which a large number of generations have struggled, and for which many Panamanians have suffered and died. For us that conquest cannot be postponed; it cannot be postponed, and we hope that it will happen because the evolution of peoples is obliging large countries to respect the commitments made to small nations.

[Franco] Mister President, thank you very much and good night.

[Solis] Good night, and thank you.

Accuses U.S. of Meddling

PA291351 Paris AFP in Spanish 0522 GMT 29 Feb 88

[Text] Panama City, 28 Feb (AFP)—Panamanian President Manuel Solis Palma has warned that his country will resist "U.S. economic and diplomatic pressures" by consolidating itself, and without resorting to foreign support "because ours is a struggle for dignity and national sovereignty."

In an exclusive interview granted to AFP and the Colombian Emisoras Caracol Network, Solis Palma expressed gratitude for the support many governments have given him. However, he regretted the "lack of understanding" of many countries, referring to Argentina, Peru, and several Central American countries that have not yet recognized his government.

In this regard, Solis Palma asked that Panama "be respected in its defense of its national sovereignty and integrity." He denied that his country is a dictatorship as has been charged. "Panama's democracy is much more perfect than others," the president noted. He added that here there "are no people in jail or killed in the streets, nor is there persecution."

Former Education Minister Solis Palma was appointed by the Panamanian Legislative Assembly as president of the Republic in the early morning of Friday, 26 February, after it had dismissed Eric Arturo Delvalle. Hours earlier, Delvalle had announced the dismissal of strongman General Manuel Antonio Noriega as chief of the Panamanian Defense Forces [FDP].

Solis Palma accused the United States of trying to morally discredit Panama for its independent stance in Central America, its role in Contadora, its stance toward Nicaragua, and its decision not to allow foreign military bases beyond the year 2000 in Panamanian territory.

Solis Palma remarked: "Our independent stance is what bothers them." He stressed that "the United States feels it can accuse other countries...and that all of us must obey."

President Solis Palma asked: "Why should we allow a country (the United States) to accuse us when that country has reactionary sectors and makes loud protestations of democracy, and yet racial discrimination exists there and people get killed in the streets, which does not happen here?"

Solis Palma noted that his government will face foreign pressures—such as U.S. threats of an economic and diplomatic blockade—by consolidating a domestic front. "Our formula is different. We are not going to seek foreign support to solve our internal problems. As long as we are strong at home, the pressures will have to recede," Solis Palma remarked.

He denied that his country has swung to the left, adding that "we are peace-loving people with a capitalist, democratic, republican, and nationalist structure."

Solis Palma stated that "Panama has faced up to its historical circumstances, despite the lack of understanding from many countries," referring to Peru, Argentina, and several Central American countries that have not yet recognized his government.

Peruvian President Alan Garcia Perez today criticized U.S. meddling in Panamanian affairs. However, he also decried the violation of democratic principles in Panama and demanded that there be free elections soon.

Moreover, Solis Palma denied that the FDP is holding deposed president Eric Arturo Delvalle. He stated that Delvalle can live in Panama "without breaking the laws of the Republic, because no one is persecuted here." "He

has not been arrested," Solis Palma said, denying reports that circulated to that effect. He concluded by asking opposition groups and the National Civic Crusade to reflect on the call they made on Friday for a general strike. The general strike is expected to begin on Monday.

Regarding the call for a strike by the opposition—most of whom are tied to the country's trade and business sector—Solis Palma asked: "Who is harmed by this strike? The persons who have promoted the strike or the government?"

Hails Noriega's Support

PA270213 Panama City Televisora Nacional in Spanish 0030 GMT 27 Feb 88

[Statement by Manuel Solis Palma, minister in charge of the Presidency, at the Presidential Palace in Panama City on 26 February during a demonstration to express support for General Manuel Antonio Noriega—recorded]

[Text] This is a clear demonstration that the Panamanian people, the very root of the Panamanian people, support the process, support General Noriega, and support the decisions this revolutionary government is making in favor of the people and of this people's rank and file groups.

As you can see, there are no wealthy people here. These are all ordinary people. These are people from the interior and from our most humble communities. This is a most authentic expression of what we may call democracy. What do they [not further identified] want as democracy? What is militarism? What we have here is not a military man commanding the Panama Defense Forces. What we simply have is a great leader, a man who has the support of the rank and file and who mingles with his people. Show me any other general of any other army who goes out to join his people and marches beside them through his country's streets.

Republican Party Supports General Noriega

PA282233 Panama City Domestic Service in Spanish 2130 GMT 28 Feb 88

[Text] The General Secretariat and Directorate of the Republican Party [President Eric Delvalle's party], at a last-minute meeting, has decided to continue supporting General Manuel Antonio Noriega and his nationalist struggle. In a public communique, Republican Party Secretary General Leopoldo Alguero and the National Directorate say they continue as part of the National Democratic Union, as was decided at the party's national convention. The Republican Party also recognizes the National Legislative Assembly decision on 26 February 1988 regarding the ouster of former President Eric Arturo Delvalle. The Republican Party adds that such support can only be revoked by the same organization that adopted it.

The Republicans' document, reiterating support for Gen Manuel Antonio Noriega and his nationalist struggle says the party's rank and file and organizations were not consulted by former President Delvalle in his decision.

We repeat: The Republican Party's National Secretariat and National Directorate support Gen Noriega and his nationalist struggle.

People Express Support

PA261856 Panama City Televisora Nacional in Spanish 1820 GMT 26 Feb 88

[Text] Thousands of Panamanians of all social sectors, government institutions, the leaders and rank and file of the Democratic Revolutionary Party, Labor Party, Revolutionary Panamenista Party, and the Liberal Party of Rodolfo Chiari are gathering near the Defense Forces Headquarters on Avenue A to express their support for General Noriega and other members of the military.

Government workers have started walking from their central offices or workplaces to the military headquarters. Meanwhile, a band is playing typical Panamanian music while the people are singing improvised songs that express support and reaffirm sovereignty and patriotic dignity in the face of the attempts at foreign subjugation. Corregimiento representatives and other officials are at the headquarters to express their no-strings-attached loyalty to Gen Noriega.

Editorial on Peoples' Support

PA261918 [Editorial Report] Panama City CRITICA in Spanish on 26 February on pages 30 and 31 carries 12 pictures depicting the people's reaction to President Delvalle's decision to remove General Noriega as Defense Forces commander.

Page 30 is entitled "The People with the General." Three pictures show people playing dominoes in a park. Captions state that "the people paid no attention to President Delvalle's remarks and continued their activities in absolute calm" The captions add: "People showed no support for those who treacherously conspired against the Defense Forces commander." Three other pictures show Noriega sympathizers who visited Noriega "last night" to express solidarity. The captions identify these sympathizers as military leaders Colonels Castillo and Mina and Lieutenant Colonel Macias and small-business leaders greeting Noriega.

Page 31 is entitled "The People Take Sides With Their Commander; The General Receives Expressions of Support and Loyalty." Five pictures show Gen Noriega talking with or embracing sympathizers and sympathizers talking with each other. The caption identify the people as several deputy ministers, journalists, radio announcers, a Labor Party delegation, and former President Demetrio Basilio Lakas. Another picture shows people on the streets in a festive mood. A caption states:

"The real people, not those who gather on 50th Street (referring to the opposition), expressed total support for General Manuel Antonio Noriega after learning of Delvalle's treacherous plans to oust him as commander."

Labor Minister Jorge Federico Lee Resigns Post

PA261843 Panama City Circuito RPC Television in Spanish 1750 GMT 26 Feb 88

[Text] In a letter to Manuel Solis Palma, the minister in charge of the presidency, Jorge Federico Lee, minister of labor and social welfare, this morning formally tendered his resignation. Lee's resignation is reportedly the first by a minister.

It has also been reported that Hirisnel Sucre will become acting minister of commerce and trade, while continuing to serve as minister of agricultural development.

Papers Report Dismissal of Delvalle Appointees

PA271855 [Editorial report] Panama City LA ESTRELLA DE PANAMA in Spanish in its 27 February edition on pages 1a and 12a, and Panama City CRITICA in Spanish in its 27 February issue on page 5 publish reports on the dismissal of various officials who had been appointed by President Eric Arturo Delvalle and who are members of Delvalle's Republican Party.

The LA ESTRELLA DE PANAMA article reports the decrees issued by Manuel Solis Palma, "the minister in charge of the Presidency," providing the names of those who were dismissed and those who replaced them: Alberto Garcia de Paredes J., Panamanian consul in New York, was replaced by Donna R. Prescott; and Galo Pinto, general manager of COFINA [National Financial Corporation], was replaced by David Cordoba. The article also states that Solis Palma issued another decree dismissing Julio Sossa, director general of the National Investments Council; and Paul Leignadier, director general of the Panamanian Foreign Trade Institute.

The CRITICA article reports all these changes, and adds: "The 'deers' [referring to the deer on the Republican Party emblem] who have been in charge of various government institutions (the Social Security Institute, the Panamanian Tourism Institute, the Trade Institute, Air Panama, the National Sports Institute, and the Price Control Office) and several consulates will have to leave those posts because of the treason of their chief, former President 'Tuturo' Delvalle. After taking a close look at this, we see that the 'deers' had gotten their antlers into too many important government agencies. The government must put an end to this new destabilization technique promoted by Delvalle, the traitor—these are 'crazy actions' by 'Tuturo,' who kept playing the game of appointing and dismissing ambassadors and consuls to continue following Elliott Abrams' orders."

International Reaction to Current Situation

Cuban Foreign Ministry Statement

PA272013 Panama City Domestic Service in Spanish 1911 GMT 27 Feb 88

[Statement issued by the Cuban Foreign Ministry in Havana on 26 February; read by Panama Radio Nacional News Director Danilo Caballero]

[Text] During the last few months, the brother Panamanian people have been under constant tension, characterized by the U.S. Administration's political destabilizing attempts, pressures, and threats, which are part of its interventionist campaign of contempt for the most basic rules of respect for peoples' sovereignty and the right of self-determination.

The objective of U.S. imperialism is no secret. The United States cannot accept Panama's worthy participation in the Contadora Group and its efforts to prevent the escalation of the Central American conflict and of interventionist actions in the region. In addition, the United States wants to violate the Torrijos-Carter Treaties in order to extend its military presence in Panama beyond the year 2000, disregarding the Panamanian's just desire to exercise full sovereignty over their entire territory and erase the shameful colonial setting from their geography.

The Panamanian people's noble cause has always had the most active support of the international community, especially the peoples of Latin American, the Caribbean, and the Nonaligned Movement, which from the very beginning expressed its most firm solidarity with the struggle headed by the unforgettable General Omar Torrijos.

That struggle is alive today more than ever because it is confronting the strongest attack carried out by the U.S. Government and its local servants, who are trying to distort reality and mask their shameful objectives with their lies and misinformation campaigns.

The Panamanian people, its Defense Forces, its political, labor, and student organizations closed ranks to reject the most recent attempts to impose the dictates of the Reagan administration. The Panamanian Legislative Assembly adopted the necessary measures to preserve independence, sovereignty, and Torrijos'ideology.

The Cuban people and Government reiterate their firm solidarity with the Panamanian people and call on the forces supporting peace, independence, and sovereignty to be alert and condemn any U.S. interventionist action. The United States wants to act as the owner and master of Latin America, while the children of Latin America energetically call for the United States to get its hands off Panama.

Havana, 26 February 1988.

Lima Embassy on U.S. 'Campaign'
PY271219 Lima Andina Television in Spanish 0310 GMT 27 Feb 88

[Text] The Panamanian Embassy in Lima has issued a communique in which the Panamanian Government denounces a systematic campaign orchestrated and financed by the United States to subvert Panama's internal order. This campaign provoked former President Eric Arturo Delvalle to overstep his responsibilities on 25 February and depose General Manuel Antonio Noriega, chief of the Panamanian Defense Forces.

The communique explains that Delvalle's action violated the Panamanian Constitution and points out that according to Panamanian law the Defense Forces are autonomous.

Libya Cites U.S. 'Intervention'
PA281919 Panama City Domestic Service in Spanish 1730 GMT 28 Feb 88

[Text] Today Libya stated its opposition to the flagrant U.S. intervention in Panama's crisis, and it proclaimed its support of the Panamanian people's struggle to preserve their sovereignty and freedom. In a statement issued by the Libyan news agency JANA and received in Nicosia, Cyprus a Libyan Foreign Ministry spokesman said that with its campaign against Panama, the U.S. plans to maintain authority in Panama and use the country as a base for aggressions against other Latin American countries and the progressive regimes on the continent. It is not only a matter of intervention in Panamanian affairs; the U.S. Administration's behavior also expresses its deep contempt toward Third World countries and the Nonaligned Movement, the spokesman stressed. Libya is inviting Third World countries and all progressive forces to oppose U.S. terrorism against Panama, and to help this country resist U.S. tyranny.

FDP Program Says U.S. Underestimated People
PA281940 Panama City Television Service in Spanish 1630 GMT 28 Feb 88

["In-Depth Commentary" segment of the Panama Defense Forces, FDP, program "Todo por la Patria"—"Everything for the Fatherland"]

[Text] They made a mistake again. The underestimation of the moral values, courage, talent, and patriotism of our peoples has always been a basic concept in U.S. policy towards Latin America since the last century.

They are cheap people who are bought off at a low price. This is the view of the strategists of the anti-Panamanian conspiracy that has been orchestrated in Washington since before the death of Omar Torrijos. They are certain everyone in Panama can be bought off. They think that as long as we are able to climb to a higher position, we will accept whatever shameless actions they impose. Unfortunately, they have found some opportune individuals who reinforce those views.

However, on Thursday, 25 February, the imperialist arrogance was shaken by another blow of dignity. All of the infamy being plotted against our country is orchestrated through bribes to traitors and hirelings and has a budget that already surpasses $50 million.

The underestimation once again failed. The traitors thought Colonel Justines would lend himself to a new betrayal. On the contrary, as chief of the General Staff he rejected the offer. He called on his comrades who unanimously supported him, and the constitutional mechanisms punished the despicable action. The objective of this action was thwarted by the loyalty and military conduct of Col Justines, who, like General Noriega, is a graduate of Peru's Chorrillos Military Academy and who is not a greedy adventurer or climber who seeks to rise to positions under any circumstances.

The Defense Forces, through their chief of the General Staff, reaffirmed the code of honor that shows them to be a doctrinaire institution with deep nationalist convictions. United against domestic and foreign intrigues, they [not further identified] can never separate us from our commitment to our martyrs and fatherland.

The firmness of this military professional and his service record were not borne in mind by the foreign authors of the conspiracy. To them, everything seemed easy: Justines will take command and then we will not leave anyone in his post. In decisive moments, there are men who can change their fatherland's destiny, setting aside their personal interests and ambitions and dedicating themselves to doing their duty. Marcos Justines Fernandez is such a man. That is the lineage of our FDP. That is the result of the leadership of a commander who has no equal in the institution.

They did not find the adequate puppets, servile people who obey foreign masters.

Simple and poor, we form part of the brotherhood and mystique that is making our fatherland great. Let them continue to buy off inferiors and chatterboxes. In our garrisons, men of the stature of Marcos Justines Fernandez, supported by the Panamanian people, will not tremble in the face of the trade blockade they are on the verge of establishing or the diplomatic pressures that are about to be exerted on us.

The FDP has not been formed to obey foreign orders but to resist them, combat them, and ignore them. We reiterate the fundamental paragraph of the oath we took on Ancon Hill on 12 August 1986: We are impenetrable to treason and bribery.

Here, with all our humility, there are men who do not accept insults against our nationality or outrages against our glorious flag and dignity, which seems to be an unknown word in the dictionary of the powerful and the arrogant. Forward; we continue forward to the year 2000. We said not one step back and we will never take one step back. To do otherwise would be to shamefully and humiliatingly yield—and that, never!

Commentator Analyzes U.S. Role

PA270508 Panama City Televisora Nacional in Spanish 0000 GMT 27 Feb 88

[Luis Manuel Martinez commentary from the "Today in the World" program]

[Text] Let us examine the news that is carried in the media, starting with Managua, Nicaragua. Nicaraguan President Daniel Ortega's regime announced today that the United States is creating the conditions to justify an armed invasion, a military invasion of Panama. The impact of this Nicaraguan charge immediately resonated from the U.S. White House when U.S. President Ronald Reagan announced that the United States is not planning any military action against Panama but then refused to talk about other alternatives.

Meanwhile, keeping quiet about President Delvalle's maneuver to bring about a military junta in Panama, the U.S. White House and the State Department are resorting to a resource which, in local jargon, could be termed a drowning man's cry, a cry of impotence or desperation. The U.S. Government insists on recognizing former President Delvalle. Meanwhile, President Delvalle asks that the United States not grant recognition to the government of acting Chief of State Manuel Solis Palma. It means that, at this moment, the United States is involved in a diplomatic intrigue to prompt several Latin American countries to not recognize the new Panamanian Government, in attempts to produce the diplomatic isolation of this country.

Subsequently, the United States denies today that it had anything to do with President Delvalle's decision to oust or attempt to oust General Manuel Antonio Noriega as commander in chief of the Panama Defense Forces [FDP]. It is odd that Delvalle has done all of this after his private talks in the United States, after all his frequent contacts with Elliott Abrams and Gabriel Lewis Galindo. What would this poor oligarch have accomplished if he had not had a U.S. guarantee? Is there any mention of any courageous deed in his biography? Has he faced any risk, other than enjoying the fortune he inherited from his family?

All Delvalle has done is follow the master plan, the general conspiracy, with his constant effort to replace the minister of the Presidency, his insolent opportunism to fill basic PRD [Democratic Revolutionary Party] positions with personal friends, in short, his constant sabotage. I remember that during the demonstrations he authorized the Crusade [National Civic Crusade] demonstration after the PRD had renounced holding theirs, even though it [the PRD] had the right to hold one. What happened in Panama happened as a result of a succession of things. It could best be termed the culmination of betrayal.

But an analysis of what is happening in the world with regard to Panama does not end here. Senators John Kerry and Edward Kennedy, democratic senators from Massachusetts, the famous Massachusetts clan, accompanied by David Durenberger and Alphonse D'Amato, Republicans—two and two make four—have asked that Panama be subjected to a commercial blockade. This commercial blockade would ban the exports of Panamanian products to the United States, such as raw materials, bananas, melons, fish, shrimp, seafood, and textiles. The commercial embargo constitutes a blow, not to the Panamanian Government, but to the right of 2 million Panamanians—who were always friends of the United States—to earn a living. Yesterday's provocation, hatched in Washington during the last trip by President Delvalle to see about his health, failed. Apparently, the president should definitely take up residence in the United States, because he has to travel there a lot on account of his health.

This commercial embargo flies in the face of weighty historic precedents. Francisco Franco was subjected to an embargo, a commercial blockade during World War II, when he refused to join the Western bloc. He withstood the blockade, and he died in his bed. The Castro regime was subjected to a similar blockade. Similar measures are being applied in South Africa, and the apartheid does not yield to that sort of pressure. The blockades do not change governments or subdue the will of a people. Washington is deeply moved by the people's reaction, the attitude of the Panamanian people. They were waiting for a large uprising, a big rebellion that never materialized anywhere. They are trying to find it. Since the Crusade is of no use to the U.S. any longer, they are now going to defeat us with hunger. In the meantime, Gabriel Lewis Galindo continues to announce appointments as the Panamanian Government spokesman in Washington. It is unknown who gave him that power or what he bases it on. But since he is in Washington, and Washington is fertile ground for conspiring against our country, anything can happen there. Therefore, the correct thing is to enjoy our weekend peacefully. The new round in this glorious fight was won yesterday by the best spirit and the loftiest tradition of sovereignty of the Panamanian people.

Abadia Briefs Diplomats on Political Situation

PA280128 Panama City ACAN in Spanish 0006 GMT 28 Feb 88

[Text] Panama City, 27 Feb (ACAN-EFE)—Panama's Foreign Ministry stated today that the regime of Manuel Solis Palma, minister in charge of the Presidency, guarantees to the international community "that it is the only

one that represents the basic elements of the state's sovereignty and independence." This statement was made public by Foreign Relations Minister Jorge Abadia as he explained the domestic political situation to the diplomatic corps accredited in Panama.

At the meeting, also attended by Minister of the Presidency Nander Pitti Velasquez, the reasons for the president's and vice president's removal from office were given. It was explained that former President Delvalle violated Constitutional Article 17 as well as Law 20/1984, which deals with the Panama Defense Forces [FDP], when he dismissed General Manuel Antonio Noriega from his post as FDP commander. The abovementioned article states that the president is empowered to "designate the FDP commanders and officers according to military rank and assign them as required."

The foreign minister also noted the legislature had removed Delvalle early on Friday morning because he had violated Constitutional Article 186. Article 186 states that the president and vice president can be removed when they overstep their functions, commit violent acts, tamper with the electoral process, or prevent the legislature from meeting. The officials explained that Vice President Roderick Esquivel was removed because he "abandoned his post," thus violating Constitutional Article 180. This article specifies that one of the vice president's duties is "to attend cabinet meetings with the right to speak but no voting power."

The foreign minister assured the diplomatic corps he will maintain direct contact with them so they can report "the real Panamanian situation" to their governments.

Nation 'Separated' From Group of Eight

PA262000 Paris AFP in Spanish 1925 GMT 26 Feb 88

[Text] Cartagena, Colombia, 25 Feb (AFP)—Today Panama was temporarily separated from the Group of Eight until a new change in that country's situation occurs.

The foreign ministers of Argentina, Brazil, Colombia, Mexico, Peru, Uruguay, and Venezuela announced this decision when they concluded today's meeting. The meeting was held in this resort town on Colombia's Caribbean coast.

Arias Calderon Calls for Regional Solidarity

PA262019 San Jose Radio Impacto in Spanish 1845 GMT 26 Feb 88

[Text] Ricardo Arias Calderon, who is president of the Panamanian opposition Christian Democratic Party [PDC] and who is in Costa Rica because he was prohibited from entering his country, has appealed for the solidarity of all Latin American peoples in view of his country's difficult situation.

[Begin Arias Calderon recording] What is happening in Panama could mark the end of the great process of Latin American democratization, which has been underway in the the 1970's and 1980's, and the beginning of the opposite; that is, a return to military regimes. Any democratic president who does not react today is a democratic president seeking troubles in his own nation.

However, the main interest in Panama has deeper roots. What exists in Panama is not simply a military leadership, but also a narco-military power that is affecting the security of the entire region. It is well known that this narco-military power has had links with the Medellin Cartel. Will the Colombian democratic government remain silent and not react? It is well known that this narco-military power threw the mutilated body of a Panamanian into Costa Rican territory....[8-minute break in reception] [end recording]

Bishops Urge 'Respect' for Constitution

PA271830 Panama City LA ESTRELLA DE PANAMA in Spanish 27 Feb 88 pp 1a, 12a

[Statement issued by the bishops of the Panamanian Archdiocese in Panama City on 26 February; passages in boldface as published]

[Text] Our nation's political crisis seriously worsened in **June 1987. Until then, the political conflict between the government and the opposition and the constant shuffling of power between civilians and the military had not greatly affected the nation's economy nor its domestic or foreign interests: the canal, the banks, the Free Zone, etc. On several occasions since 1977, and especially beginning in 1984, prior to that year's elections, the Panamanian Bishops Conference** issued fundamental documents in which it stressed the need for social and individual values that are the basis for effective democracy: economic and social democracy for the large abandoned sectors and the 21 percent of the population that lives in poverty; and political democracy that will allow for confidence in politics being exercised for the common good.

It was particularly necessary that all sectors of the country view the 1984 elections as credibile. We know that this was not the case, and that since 1984 there has been deep distrust between the government and the opposition. An additional problem has been the widespread corruption throughout the public and private sectors.

All of this increased with the new crisis that broke out in June 1987. **What happened during the past few days is one more chapter in this still unresolved problem. In view of the great local and international economic pressures; in view of the charges against the commander of the Defense Forces [FDP]; in view of the grave crisis and the specter of worse days, rising unemployment, an international economic blockade, etcetera, President Delvalle decided that the resignation of the FDP commander was the first step**

for easing such tensions. Because the commander did not accept this measure, which the president apparently proposed several times, the president 2 days ago announced on television that he decided to remove the commander in chief from his post. **This decision did not come as a surprise. This is because the conflict between the two sectors was evident, and because there also were many rumors in this regard. The fact that the military did not accept this [measure] was also not surprising. Nevertheless, their reaction further worsens the crisis and weakens the credibility of the civilian government and the constitutional process. It additionally creates grave national and international problems for Panama.**

In view of Panama's grave crisis, **the church reiterates what it has been stating in its communiques and pastoral letters for quite some time. It requests that there be respect for the constitutional legal order that guarantees the independence of the branches of government and the rights of citizens. This includes the freedom of speech, which must be exercised responsibly. We believe that only if the people are well educated and well informed can they find patriotic and peaceful solutions to the current problems.**

The country needs light to find sure paths for the future. At the same time, Panamanians, **both in the government and the opposition, must maintain a peaceful spirit and reject violence, because violence will only worsen current problems.**

In precisely this context, the Panamanian bishops issued a message in Atalaya, Veraguas Province last Sunday, the first Sunday in Lent. This message will be read at all masses on Sunday throughout the country. **In it we issue a call to those who hold power to always place the common good above their personal interests. The authority that disregards this degenerates into authoritarianism. Let us defend** our social coexistence from this extreme. Let us remember that we are Christian people and **let us work to live in the brotherhood of the sons of God, in an atmosphere of reconciliation, peace, justice, and freedom.**

Panama, 26 February 1988

Marcos G. McGrath, archbishop of Panama

Oscar M. Brown Jimenes, auxiliary bishop

Jose Luis Lacunza, auxiliary bishop

CONATO Issues Communique Supporting Government

PA271611 Panama City LA ESTRELLA DE PANAMA in Spanish 27 Feb 88 p 28b

[Communique issued by CONATO, National Council of Organized Workers, in Panama City on 26 February]

[Text] CONATO, the representative organization of Panamanian workers, with the moral authority that characterizes its actions and in view of the political crisis promoted by the United States with the complicity of local antipatriotic sectors of the so called "opposition," informs the general public, and particularly the workers, of its upright stance in the face of the country's new political situation, as represented by the appointment of former Education Minister Manuel Solis Palma as acting president of the Republic in place of Eric Arturo Delvalle, who was dismissed early yesterday morning by the National Legislative Assembly, because of his antipatriotic attitude and his collaborating silence in the face of U.S. interventionist attacks.

Therefore, we state:

First: We approve of the change in the executive and the position adopted by the top leaders of the FDP [Panama Defense Forces], because this change means [there will be] true and real rectifications at all levels, including the participation of the organized peoples sectors and workers representatives.

Second: Therefore, CONATO has the right and duty to actively participate in all government decisions made from now on.

Third: With this participation, CONATO is trying to get the country out of its crisis, and at the same time frustrate the intentions of the oligarchic and imperialist forces, which aim to increase our economic dependence, impose IMF policies, install a puppet government under U.S. mandate, and renegotiate the Torrijos-Carter Treaties to keep U.S. troops in Panama after the year 2000.

Finally, we remind workers to be attentive to all CONATO statements to avoid misinformation and ignore the rumors spread by U.S. imperialists and local oligarchic groups, who are the natural enemies of the Panamanian people.

By CONATO

Edilberto Mendez R.

CONATO Coordinator.

February, 1988.

Opposition Legislator Reports 'Intimidation'

PA271909 Panama City LA PRENSA in Spanish 25 Feb 88 p 1

[Article by Flor Quintero]

[Text] Yesterday opposition Legislator Antonio Arias reported to LA PRENSA that he had been subjected to persecution, intimidation, and abuse of authority by agents of the National Department of Investigations (DENI).

Arias revealed that DENI and FDP [Panama Defense Forces] units tried yesterday, on two occasions, to arrest him at his home in a San Francisco neighborhood. He said he did not know at that time why he was being sought.

However, the Televisora Nacional evening news program announced that Legislator Antonio Arias had been summoned for questioning, and his preventive arrest had been ordered by Fourth Circuit Prosecutor Daysi Sanchez de Palomino, so he could clarify the charges made against Antonio Arias for "attacking the state's domestic well-being and the national economy." The charges have been made as a result of news published by EL SIGLO newspaper, where Arias worked as its editorial director.

The prosecutor's office also ordered the preventive arrest and summons of Legislator Mayin Correa to undergo questioning concerning a slander and libel charge filed by FDP Major Cleto Hernandez.

Yesterday afternoon, Arias said that at about 1100, three DENI officials and an FDP agent showed up at his home in San Francisco at the "Coco del Mar" building in a red jeep with license plate number 108456. They grabbed a set of building keys from the doorman and entered the building, supposedly with a summons against Arias. Because he was not home, the DENI officials returned an hour later, this time "with weapons", causing panic among tenants who were on the ground floor of the building. The four agents finally managed to get to Arias' apartment, where they knocked on the door many times without getting an answer.

Antonio Arias said, "They left no verbal or written notice stating the purpose of their visit, but they returned an hour later and did not find me." He said, "They intimidated the doorman and did not specify the reasons for their visit. That is not the way to enter a private condominium that houses 12 families. I have no idea why they were looking for me, as my actions comply with the law." The legislator said, "I am not going to be intimidated. I will stay in my home. I have parliamentary immunity, and I am going to use of it. If I am visited again, then we will have to take some measures."

[Panama City CRITICA in Spanish on 25 February on pages 1 and 27 publishes a report stating that Fifth Circuit Prosecutor Agustin Sanjur requested the San Francisco police substation to bring Arias to the prosecutor's office to testify regarding crimes against the national economy through EL SIGLO reports.]

Communist Leader Changmarin Predicts Violence

PA251810 Madrid EFE in Spanish 2058 GMT 23 Feb 88

[Text] Madrid, 23 Feb (EFE)—Carlos Changmarin, member of the politburo of the Communist Party of Panama [People's Party], has stated in Madrid that "violence could break out at any moment" in Panama.

Changmarin, who attended the 12th congress of the Communist Party of Spain in Madrid, told EFE that no political force favors dialogue, and stands "are becoming more radical all the time."

Changmarin added that the future of the crisis will be determined by "the lack of money" for payments Panama must make to amortize its foreign debt (which amounts to over $4 billion) and the economic pressures exerted by the United States.

The Panamanian politician insisted that "there must be conversations, or else there will be deaths," and he charged the United States with waging a publicity "marketing" [preceding word in English] campaign to "force a more open intervention" in Panama.

Although he admitted "in Panama, there is a hard government in which the Armed Forces plays a political role," and he did not rule out the possibility that all the charges raised against General Manuel Antonio Noriega are true, Changmarin pointed out that "the core of the crisis is the U.S. imperialist will."

"Latin American military men are drug traffickers when they do not align themselves with the U.S. policy," Changmarin said, adding that the United States is interested in prolonging its military presence in the Central American isthmus beyond the year 2000, when the Torrijos-Carter Treaties expire.

These agreements restrict the U.S. military presence in Panama, where there are currently 10,000 troops to guard "U.S. interests" in Latin America.

It is true, he said, that in Panama, "the government has deteriorated, but there is no alternative in the face of the U.S. imperialist and destabilizing advance. Only Noriega can face the United States right now."

Changmarin added: "It is not a moral problem, or a question of whether there is democracy in Panama or not, or whether Noriega is ugly or not: the problem is that the United States sees it is losing its backyard and its capacity to dominate Latin America in a military manner." He added: "We fear the fascist alternative that the United States wants to impose in Panama, disguised as the Civic Crusade."

Since June 1987, there have been protests and demonstrations in Panama demanding the dismissal of Noriega, commander in chief of the Army, who has been indicted in the United States for alleged narcotics trafficking charges.

Argentina

Government Expresses Solidarity With Delvalle

PY261800 Buenos Aires TELAM in Spanish 1754 GMT 26 Feb 88

[Text] Buenos Aires, 26 Feb (TELAM)—The Government Palace today reported the Argentine Government expresses solidarity with the Panamanian Government as a result of the institutional crisis affecting that Central American republic.

The government communique released at 1400 says: The Argentine Government, aware of the events occurring in Panama, would like to publicly express its solidarity with President Eric Delvalle and states its greatest concern over the break in constitutional order in that brother country.

Agreement Reached With Private Creditors

PY271825 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2058 GMT 26 Feb 88

[Text] Buenos Aires, 26 Feb (NA)—A high-ranking Finance Ministry source has said that "in the second half of March," Argentina will receive a $541-million disbursement as a result of the "exceptions" included in an accord recently signed with private U.S. creditors.

This disbursement was agreed upon during the negotiations recently held by Central Bank Director Daniel Marx, who today returned to Argentina without making any comments, the source said.

The "exceptions" mentioned by the source—exceptions that will make possible the disbursement of the third installment of a loan negotiated with the creditor banks last year—refer to "delays and situations not provided for" in the agreement.

The source explained that Marx negotiated "a long list of exceptions" in connection with the compliance with the conditions agreed upon by both sides, among them "the delays of Argentina" in paying the interest and the "delay" of the banks in disbursing the funds provided for in the agreement.

International news agencies yesterday reported that it has leaked that the two sides have begun to analyze the possibility of agreeing on a financial package to bring some relief to the burden of the interest on the foreign debt.

The negotiations, which were described as being "very positive," were attended by Marx and by the chairman of the bank steering committee [preceding two words in English], William Rhodes, who is a Citibank official.

Before the negotiations, Marx held talks in Washington with IMF officials. While this was happening, the Argentine Government released a new memo outlining its economic targets for this year.

While Argentina is waiting for the disbursement of the third $230-million installment of a stand-by loan contract signed last year, and while the country is waiting for the arrival of the funds provided by the private banks, the Treasury Department granted a $550-million "short-term bridge" loan to Argentina.

[Words indistinct] next Wednesday, which financial sources have christened "T Day."

The Argentine Central Bank will release an official communique next Monday reporting on the negotiations held by Marx in the United States.

Government Summons NATO Envoys on Falklands

PY262030 Buenos Aires DYN in Spanish 2118 GMT 25 Feb 88

[Text] Buenos Aires, 25 Feb (DYN)—The Argentine Government has informed NATO countries of its position regarding the UK maneuvers on the Malvinas Islands.

The chiefs of mission of 14 of the 16 NATO countries were summoned to the Foreign Ministry, where Ambassador Juan Carlos Beltramino, special affairs under secretary, handed each one of them a note on the issue.

This action is part of the Argentine diplomatic strategy to make its position clear, and follows similar actions with members of the Group of Eight and the OAS.

The notes were handed to NATO members because the UK is a member of the organization and because, according to the Argentine Government, the military maneuvers in the South Atlantic are a form of aggression.

The two countries not summoned were the UK, for obvious reasons, and Iceland, which does not have a diplomatic mission in Argentina.

Espionage Charged; Chilean Statements Denied

PY282034 Buenos Aires BUENOS AIRES HERALD in English 27 Feb 88 p

[Text] (NA-DYN)—National Administrative Investigations Bureau Prosecutor Ricardo Molinas yesterday ordered investigations in the Defense Ministry and the Navy on the alleged passing of defense secrets to a foreign power, accusing civilians Jorge Bisi and Luis Llano.

A communique from Molinas' department said the defence secrets were on the possible sale of the missile-carrying destroyers "Hercules" and "Santisima Trinidad" and included a detailed description of the two vessels as well as information on the organization and equipment of the Navy.

The fact that the secrets were being sent abroad was discovered on December 15 when on orders from Molinas' department the freight and correspondence

being carried by a firm called DHL was intercepted, the communique said. It identified DHL as a British-financed firm contracted by the Post Office.

Among the correspondence intercepted, two envelopes were found which contained information which up to then was considered classified.

The envelopes had been sent by Llano and Bisi, the latter a senior executive of the Swift-Armour meatpacking plant, which was a subsidiary of companies of British capital and with headquarters in Britain, it added.

Molinas initiated criminal action against Llano and Bisi, but there could be no doubt that the information could only be obtained with the help of people linked to the Defense Ministry and particularly the Navy, the communique said.

In his charges Molinas stresed the gravity of the incident for national security purposes especially in the context of the Malvinas Islands issue.

The communique added that the passing of such information on the state of armaments available for defence implied an overall situation of strategic disadvantage.

It said that on previous occasions Molinas had proved that DHL was of British origin and had British capital and that it was transferred to Argentine figureheads during the 1982 Malvinas war to violate regulations on enemy property.

This had given rise to a lawsuit now before the federal courts, the communique said.

Molinas ordered a copy of all reports on his department's investigations to be sent to President Raul Alfonsin so that the national authorities could take the necessary precautions to avoid a repetition of this type of activity which damaged national sovereignty, the communique said.

It placed on record that on January 26 Molinas asked the Post Office to cancel the lease it had granted DHL for the transportation of parcels and correspondence but no action had been taken on this so far.

Earlier yesterday, SIDE Chief Secretary Facundo Suarez described as false and irresponsible statements attributed to Chilean Ambassador Sergio Gaete in which he was alleged to have said that Argentine intelligence services provided information to Chile on Chilean exiles resident here.

The statement allegedly made in Santiago and which earned headlines in the Chilean press quoted Gaete as saying that the Argentine intelligence services cooperated very closely with his embassy in providing information on the movements of Chilean political exiles who had taken refuge in Argentine.

"I'm astonished at the statements the Chilean ambassador made in Santiago and I am in a position to state that none of the Argentine intelligence services provides any type of information to another country on the activities of their residents, above all if these are exiles," Suarez told Radio Continental.

In his alleged statements, Gaete said that his embassy had the best of relations with the official in charge of SIDE so that the activities of the exiles did not affect Chile at all.

Suarez said that since he took over SIDE, he had never spoken to the head of the Chilean intelligence services nor to any member of the Chilean intelligence services who might have come over to discuss the issue.

Reiterating that Gaete's alleged statements were false, Suarez added: "This does not mean, however, that the Argentine intelligence services do not have excellent relations with the intelligence services of all countries, be they socialist or democratic."

He categorically denied any co-operation of SIDE with the Chilean Government, adding: "Neither does this mean that we do not have relations with the intelligence services of neighbouring countries, precisely because they are neighbouring countries."

Suarez said Argentina granted complete freedom to exiles resident here "but it does not allow any group of exiles to use elements which could compromise relations with a neighbouring country."

Supreme Court Confirms Astiz Acquittal

PY271619 Buenos Aires BUENOS AIRES HERALD in English 26 Feb 88 p 1

[Text] (NA-DYN) —The Supreme Court yesterday confirmed the acquittal of Navy Lieutenant Commander Alfredo Astiz and cleared him of all responsibility for the abduction and subsequent disappearance of Swedish-Argentine girl Dagmar Hagelin who went missing after being shot and arrested by Astiz in January 1977.

The Supreme Court confirmed a decision by an appeals court which ruled that the case initiated by the girl's father, Ragnar Hagelin, came under the statute of limitations because of the time gone by since her disappearance.

Brazil

Brasilia Reaches Agreement With Private Banks

PY290158 Madrid EFE in Spanish 2214 GMT 28 Feb 88

[Text] Brasilia, 28 Feb (EFE)—Brazilian Finance Minister Mailson da Nobrega today reported that Brazil will receive a total $6.4 billion from the private banks to finance the interest on its foreign debt due in 1987 and 1988. The preliminary agreement reached last night by

Brazil with the creditor banks committee in New York establishes that Brazil will obtain a new $5.8 billion medium-term refinancing credit. Nobrega said it was agreed "to create mechanisms that will ensure the renewal of short-term credit lines for an additional $600 million, which will total $6.4 billion."

The spread [preceding word in English] for Brazilian interest was established at 0.8125 percent. This is the same percentage that Mexico is currently paying its creditors. Nobrega said: "This means the spread Brazil has been paying so far, 1.66 percent, has been reduced by half."

Brazil has promised to pay next week $500 million, which corresponds to the unpaid interest due in January 1988. The January 1988 interest amounts to $850 million, of which Brazil had paid $350 by mid-January out of its foreign currency reserves. This payment was a positive gesture that allowed the country to reach the preliminary agreement that was officially announced today.

Brazil also promised to pay $3 billion in overdue interest from 1987, of which it has already paid half. Moreover, Brazil will pay $6.6 billion in interest calculated to come due in 1988, discounting the $350 million it has already paid for January. It was also agreed that Brazil will pay the interest for February ($200 million) and March ($230 million) of the current year.

Mailson da Nobrega said the preliminary agreement with the banks regarding the very important issues of the negotiation of the total foreign debt and the spread rate will make it much easier to obtain a final agreement, "which we hope will be reached by the end of March."

Government Announces Measures To Cut Deficit

PY271335 Rio de Janeiro Rede Globo Television in Portuguese 2255 GMT 26 Feb 88

[Report from Brasilia by Monica Waldvogel]

[Text] The government has announced new measures to fight the public deficit. These measures include cuts in federal appropriations for states, municipalities, and state enterprises.

Finance Ministry Secretary General Mario Berard did not try to lessen the shock. He said the measures are very tough. Banks will no longer be able to extend loans to states, municipalities, and state enterprises. These enterprises, as well as prefectures and states, are in the red with financial institutions. The government decided to freeze the ceiling on borrowing to the balance owed on 31 December. Amounts will be adjusted on a monthly basis by the variations of the OTN [Government Treasury Bonds]. The Brazilian Government adopted similar measures in 1983 following a letter of intent to the IMF.

According to the Finance Ministry, the measures adopted today are somewhat softer than the ones adopted in 1983. State enterprises will be able to cash negotiable notes in states such as Rio de Janeiro and Acre. These states suffered great damage from the storms and were due for loans from the Federal Savings Bank. The government thus expects to reduce the public deficit by 1 percent of the GNP, that is, by $2.8 billion.

Does this mean governors and prefects will have to stop implementing public works?

[Begin recording] [Gen Mario Berard] We all have to contribute by sacrificing something if we want to adjust to a process of deficit control, and if we want the government program to have positive results.

[Joao Batista de Abreu, planning minister] We are aware that the problem has political connotations, but it is the greatest problem of the country at this time.

[Reporter] Do you think governors and prefects will exert greater pressure on the ministries?

[Abreu] I think the governors understand that we have to fix the prevailing disorganization of the public financial situation. I am sure they will cooperate. [end recording]

The Central Bank also set an 11-percent increase in the compulsory witholding of bank reserves and forbade short-term deals with bank bonds. The purpose of these measures is to reduce the volume of cash that banks have available for loans and to increase interest rates.

Finance Minister Mailson da Nobrega said the decision to cut the deficit was not made after a direct order from the president. But I will not put myself in a position contrary to that of the president, either, Nobrega said. I implement policies the president wants implemented. If we cut expenditures to lower the deficit, it is because the president has determined, ordered, and supported the measure. The president has not withdrawn his unrestricted confidence in my work, Nobrega said.

Sarney Raps Destabilization Group in Congress

PY261158 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 26 Feb 88

[Text] In his "Chatting by the Radio" program today, President Jose Sarney denounced the presence of a group of congressmen who wish to destabilize the democratic transition in the country.

[Begin Sarney recording] As I said, they are in the National Congress. They are a small group of opportunist, radical congressmen who wish to undermine the Constituent Assembly. Fortunately, they are a minority.

Congress, to which I have belonged for more than 20 years, has men of public spirit who are enduring this systematic attack which is intended to intimidate them. The names of those responsible are being discredited before the citizenry for their antipatriotic and evil action.

This group of opportunists is creating a false image of the rest of the congressmen, making it seem as if they do not behave according to their conscience and responsibilities.

This group is trying to control the Constituent Assembly, making it look as if it were their own. They wish to create a constitution that will make the country ungovernable. They are also making the Constituent Assembly unpopular among the people.

They are doing this shielded by their parliamentary immunity. They are using the law to deny the law. I have made some (?criticism) of the constitution. It is my duty as a citizen, and futhermore as president, to point out mistakes so they can be corrected. [end recording]

According to President Sarney, the group of opportunist congressmen is trying to break up harmony and order among the government branches.

Minister Criticizes Group

PY261255 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 26 Feb 88

[Text] Agrarian Reform Minister Jader Barbalho wants the government to react to the attacks made by groups within the Constituent Assembly and the media that are trying to destabilize the country.

Yesterday he denounced the existence of groups within the Constituent Assembly and the media that are trying to discredit the government before the public.

[Begin recording] [Barbalho] They are a minority which is trying to downplay the current national problems. They wish to make it seem as if our problems have been created rather than inherited.

When President Sarney assumed power, he inherited the problems of the foreign debt, inflation, and even this current national scene. These problems are not considered by these groups which wish to discredit the government.

We believe the government should react to these attacks. Government leaders and supporters should try to explain this to the public.

These groups claim that the call to elections this year will be a solution for the country. They are not taking into consideration the negotiation of the foreign debt, which is essential to reduce inflation, since (?our reserves) have not increased since 1983.

Therefore, given this situation, the government should react through its leaders in Congress and try to accurately inform the public.

We must not be intimidated by this minority.

[Reporter] Which groups are these?

[Barbalho] These groups are found in the Constituent Assembly and outside it. They are also among the media. They are trying to make the people believe that the country is mired in corruption. They are attacking the government.

We cannot witness this situation without reacting and showing the public that there are groups that are really trying to destabilize the country, or even lead it to a political deadlock. [end recording]

Minister Barbalho believes that the Constituent Assembly will probably approve a 5-year term in office for President Jose Sarney.

However, he said, it is necessary that the constituents openly express their support for the government.

Guimaraes on Constituent Assembly Sovereignty

PY291217 Brasilia Radio Nacional da Amazonia in Portuguese 1000 GMT 29 Feb 88

[Text] At a meeting with Sao Paulo Governor Orestes Quercia, Deputy Ulysses Guimaraes has reasserted the sovereignty of the Constituent Assembly. He affirmed at a lunch with the Sao Paulo Governor this past weekend that the Constituent Assembly is sovereign, inalienable, and invulnerable; it is above all powers, and the Supreme Court is there to guard it, not to violate it. Guimaraes' declaration was intended to refute criticism leveled against the Constituent Assembly.

On Sunday, Ulysses Guimaraes met with President Jose Sarney; they talked about the Constituent Assembly. Deputy Guimaraes reiterated that he will continue to exert himself so that the writing of the constitution will proceed as rapidly as possible.

Sarney Meets With Iranian Deputy Minister

LD261400 Tehran IRNA in English 0840 GMT 26 Feb 88

[Text] Tehran, Feb. 26, IRNA—Deputy Foreign Minister for Economic and International Affairs Mohammad Javad Larijani met with President Jose Sarney of Brazil in Brasilia Thursday and handed him a message from President 'Ali Khamene'i.

During the meeting, Larijani, who is on an official visit to Brazil, also stressed the need for foreign warships to leave the Persian Gulf region.

Larijani said identification of the aggressor party in the Iraq-Iran war would be the first step towards ending the conflict and realisation of a just peace in the region.

President Sarney thanked Larijani for the message and described relations between the Islamic Republic and Brazil as very good. He also said a Brazilian delegation would soon visit Iran.

In separate talks with other Brazilian officials, Larijani discussed issues of mutual interest and ways to expand trade ties.

Sodre Says UK Maneuvers Violate UN Agreement

PY270217 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 26 Feb 88 p 9

[Text] Cartagena—Foreign Minister Abreu Sodre yesterday criticized the military maneuvers Great Britain intends to carry out on the Falklands/Malvinas Islands by asserting that the British decision "violates a UN agreement which declares the South Atlantic a zone of peace and cooperation." The Brazilian foreign minister made this statement after the release of a document by the "Group of Eight," whose foreign ministers are meeting in Cartagena, Colombia. The document condemns the military maneuvers that are scheduled to begin on 7 March.

In the note released by the foreign ministers of the "Group of Eight," which is formed by Argentina, Brazil, Peru, Uruguay, Colombia, Mexico, Venezuela, and Panama, they ask Great Britain to desist carrying out military maneuvers and open "bilateral relations with Argentina."

Argentine Foreign Minister Dante Caputo charged Great Britain with practicing a "policy of colonialism."

UK Embassy on Repercussions of Canceled Visit

PY270225 Rio de Janeiro O GLOBO in Portuguese 26 Feb 88 p 2

[Text] Brasilia—Yesterday British Embassy spokesman David Gowan said that the Brazilian Government's decision to request the postponement of Deputy Foreign Minister Timothy Eggar's visit scheduled for March will probably affect bilateral relations.

The British diplomat said that "I think its unavoidable that an incident of this nature affect the relationship between two nations."

Gowan disclosed that his government will not request an explanation on the issue from the Brazilian Government as the British Foreign Office has already told Brazilian ambassador to London, Antonio Celso Souza e Silva, that it believes the Brazilian attitude is "unjustified and improper."

According to the British, Eggar's visit—scheduled to begin on 7 March—would serve to explain to the Brazilian authorities the nature of the maneuvers to be carried out on the Malvinas since the deputy foreign minister is in charge of Latin American affairs at the Foreign Office. However, Brazilian Government sources have interpreted the British initiative as a maneuver to damage Brazilian-Argentine relations because this visit could be interpreted as tacit support by Brasilia for the maneuvers.

The Argentine Embassy, as well as Itamaraty, has denied that the Brazilian decision is a result of talks between Brasilia and Buenos Aires. However, an Argentine diplomatic source has asserted that the subject was discussed by the two governments.

Peru

Garcia Criticizes Panama, Recalls Envoy

PA282325 Madrid EFE in Spanish 2241 GMT 28 Feb 88

[Text] Lima, 28 Feb (EFE)—Peruvian President Alan Garcia today harshly criticized the removal of Panamanian President Eric Arturo Delvalle and announced that Peruvian-Panamanian relations will not be "full" until the situation in that country, which he described as "confusing," is cleared up.

Alan Garcia revealed he has recalled the Peruvian ambassador to Panama.

Alan Garcia delivered a strong speech at a theater in Lima during the ceremony to honor former Swedish Prime Minister Olof Palme on the 2d anniversary of his murder. Garcia said Panama should not have to "withstand the shame" of seeing how one government falls after another.

Garcia emphasized that Panama "should not have to witness how the minimum forms of democratic decency are being violated. The country should not have to withstand the shame of seeing the fall of one president after another without having the people state their position."

The president supported his views on the Panamanian case by appealing to his condition as a Latin American. He denied that this is intervention or interference in Panama's internal affairs.

He added: As Latin Americans, "we have no borders, but we do have the pride and dignity of being born from the people's vote and, once the term is over, returning the mandate so the people may state their will."

Alan Garcia later declared that only the people can state their views to correct a government and elect another one. He said the people's will should be abided by a civilian government.

"We must raise our voices so bad examples do not spread in Latin America. If the democratic governments remain silent, we will be the accomplices of those who are violating the minimum principles of democracy," the president stated.

Garcia emphasized this was Peru's position concerning the Panamanian problem, and he added that the only thing the United States can and must do is to stop "interfering" in Panama's affairs and give Panama its canal and Latin America its destiny.

He reasserted that what is taking place in Panama "shames" the Latin American people, and, he said—speaking on behalf of those who live in Panama—the only alternative is free elections and the people's direct participation.

Garcia revealed he had recalled the Peruvian ambassador to Panama because the situation is "confusing." He asserted that "we can have full, clear, and open relations when the people state their will, when the people say what road Panama should take."

Alan Garcia concluded his speech emphasizing that Peru abides by its democratic principles and its will to comprise a "free, dark-skinned [morena], and united" Latin America.

Foreign Ministry Communique

PA271845 Madrid EFE in Spanish 1458 GMT 27 Feb 88

[Text] Lima, 27 Feb (EFE)—The Peruvian Foreign Ministry has issued a brief communique on the Panama situation, stating it is up to each people to resolve their own problems.

The communique, disseminated by ANDINA, the official news agency, noted last night: "In view of the incidents occurring in the Republic of Panama, the Peruvian Government reaffirms its adherence to the principles of the people's self-determination and nonintervention in the domestic affairs of states."

Peru, it added, "hopes the Panamanian people's maturity/wisdom will allow them to resolve this delicate situation by themselves within the framework of their Constitution and the commitments solemnly made to respect and strengthen democracy and peace in the region, promoting, within those high values, Latin American unity."

Wagner Rejects Panama Group of 8 Participation

PA281807 Paris AFP in Spanish 1659 GMT 28 Feb 88

[Text] Caracas, 28 Feb (AFP)—Peruvian Foreign Minister Allan Wagner has stated that current Panamanian authorities "are not fit" to participate in the meetings of the Group of Eight.

The foreign minister, who made a stopover in Venezuela's Simon Bolivar Airport on his way to Hamburg, where the Group of Eight will begin meetings with the EEC, also condemned a possible "direct or indirect" foreign intervention in Panama.

"We are very firm in our position of rejecting any foreign interference in Panama, both that which might have occurred and that which we hope will not take place," Wagner said before boarding the plane along with his counterparts from Brazil, Colombia, Mexico, and Venezuela.

MRTA Rebels Blow Up Hydroelectric Plants

PA261415 Buenos Aires REUTER in Spanish 1721 GMT 23 Feb 88

[Text] Lima, 23 Feb (REUTER)—Marxist guerrillas blew up two small hydroelectric plants last night, leaving nine cities on the Peruvian coast 450 km north of Lima without power, the police reported today.

An agent from the Directorate Against Terrorism [Direccion Contra el Terrorismo] (DIRCOTE) said the rebels used powerful bombs to put the Caguas and Santa Elena plants out of service. As they fled, they left Tupac Amaru Revolutionary Movement (MRTA) propaganda.

The source, who asked to not be identified, said that as of this morning electricity had not been restored in the so-called "little north," which includes Huaral, Chancay, Huacho, Supe, Pativicla, Paramonga, Huarmey, Casma, and Chimbote.

The source added that there was considerable property damage, but no casualties had been reported.

He added that "this type of action by the MRTA (blowing up dams) is surprising, as this has always been done by the Shining Path (Maoist group)."

The MRTA emerged in 1984, 4 years after the Shining Path began an armed struggle, which has caused 11,000 deaths and approximately $5 billion of property damage.

Uruguay

Government Recalls Ambassador to Panama

PY271433 Madrid EFE in Spanish 1408 GMT 27 Feb 88

[Excerpt] Montevideo, 27 Feb (EFE)—Uruguayan President Julio Maria Sanguinetti has labeled the Panamanian situation "military disobedience to President Eric Delvalle." The Foreign Ministry today released an official communique recalling its ambassador to Panama, Gaston Sciarra, for consultations.

Sanguinetti, in a conversation with reporters accredited to Government Palace, expressed his "profound concern over the institutional crisis in Panama."

He also expressed hope that "Panamanian leaders will find a solution reaffirming democracy, which would allow that country to return to the Group of Eight, from which it has been temporarily separated because of the situation incompatible with the democratic principles that inspired the creation and guide the actions of the group." [passage omitted]

Fishing 'Main Obstacle' in Talks With Soviets

PY261824 Montevideo Radio El Espectador Network in Spanish 1500 GMT 26 Feb 88

[Text] Sources of the Foreign Trade General Directorate have told EL ESPECTADOR that the fishing issue is the main obstacle in the efforts to reach a Soviet-Uruguayan accord. As has been reported, bilateral negotiations began some time ago with an agenda that included topics such as accords in the areas of port, customs, and commercial operations.

According to the sources, the USSR wants to fish in Uruguayan waters. Uruguay, in principle, will not refuse, but in return it intends to have access to the sophisticated Soviet technology. This is the main point of disagreement, although—the sources said—the two sides cannot be said to be in total disagreement, because the talks are not yet over. In fact, they will probably continue when President Sanguinetti visits Moscow.

'No Concrete Results'

PY271740 Madrid EFE in Spanish 0038 GMT 27 Feb 88

[Text] Montevideo, 26 Feb (EFE)—Uruguayan and Soviet officials held a meeting on trade today on the eve of the visit of Uruguayan President Julio Maria Sanguinetti to the Soviet Union. There were no concrete results.

The two countries were hoping President Sanguinetti could sign some agreements during his visit to the Soviet Union.

Diplomatic sources indicated "there were only expressions of good intentions" in the talks held in Montevideo.

The Soviet mission is headed by Deputy Foreign Affairs Minister Oleg Korunov and the Uruguayan mission by Foreign Ministry Under Secretary Castells Mendivil.

The Soviet mission asked the Uruguayan negotiating group to go to Moscow before the scheduled 14 March arrival of President Sanguinetti in order to meet "to overcome the differences and reach agreements in some areas."

The Soviet delegation stood firm in its position of wanting a fishing and air traffic agreement in accordance with the talks held in April 1987.

However, Uruguay instead proposed an agreement on port services and technological cooperation for fishing development.

The fishing agreement the Soviets want is an authorization from Uruguay for the Soviets to fish in Uruguayan waters.

The text of the proposal discussed in 1987 was released by the press and then rejected by the industrial and union sectors linked to fishing and by various government and opposition political circles.

In response, Uruguay proposed the replacement of authorization to fish in Uruguayan waters with an agreement allowing the Soviet fishing fleet to operate under better conditions in Montevideo port, but no agreement was reached.

No progress was made in trade matters, either. The Soviet Union wants Uruguay to import more to balance trade.

Soviet imports from Uruguay have fallen 75 percent in the last 4 years.

According to figures released by the Exporters Association, the Soviet Union at the begining of this decade, during the military government, purchased merchandise worth $100 million a year, while in 1987 Soviet purchases fell to $25 million.

Venezuela

Government Supports Civilian Power in Panama

PA261811 Caracas Venezolana de Television Canal 8 in Spanish 1610 GMT 26 Feb 88

[Text] Concerning the Panamanian situation, the Venezuelan Government has expressed its outright support for civilian power in Panama and urged Panamanian military forces to obey constitutional decisions.

Miraflores Palace issued a communique expressing this support, after President Eric Arturo Delvalle was removed from his post by the National Assembly following his attempt to dismiss General Manuel Antonio Noriega, chief of the Defense Forces.

The Venezuelan Government has expressed its outright support for all efforts seeking to strengthen Panamanian democratic efforts to guarantee independence, freedom, and progress to its people.